

# STATE OF ILLINOIS

## Application for Managed Care Community Networks Relating To The Innovations Project

The Illinois Department of Healthcare and Family Services (Department) is accepting completed applications from organizations wanting to become Managed Care Community Networks (MCCNs) to participate in the Medical Assistance Program as a managed care organization (MCO) under the Innovation Project. If you plan on responding to a Solicitation or a Request for Proposal (RFP) under the Innovations Project as a Managed Care Community Network, you must complete this application. There may be questions or information requested in this application that appear in the Solicitation or RFP. You should provide consistent information and answers where applicable.

All information requested in this application is required for a MCCN to be considered for a contract under the Innovations Project Solicitation or RFP and shall be considered as an additional and required supplement to the information required under such. Nothing in this application is intended to, or be interpreted to, amend any other requirements of the Solicitation or RFP. All MCCNs will be subject to the laws under 42 CFR, Part 438, regarding Managed Care Organizations (MCOs).

## 1.0 APPLICATION PROCESS

### 1.1 Application Submission Requirements

- 1.1.1 Completed Applications must respond to all requirements of this Application in a straightforward and concise manner and be submitted as described below.

### 1.2 Completed Application Identification

- 1.2.1 Completed Applications must be labeled (both in its contents and external packaging) as follows:

Completed MCCN Application  
Submitted By: (Applicant's Name)

### 1.3 Address for Submission

- 1.3.1 All required copies of the Completed MCCN Application must be delivered to the following party:

Illinois Department of HealthCare and Family Services  
Division of Medical Programs  
Bureau of Managed Care  
Attention: Bureau Chief  
201 South Grand Avenue East  
Springfield, Illinois 62763-0001

The Department will not accept Completed MCCN Applications via facsimile transmission.

### 1.4 Number and Form of Copies

- 1.4.1 Applicants must submit one (1) original and six (6) copies of the Completed MCCN Application each labeled and delivered as indicated above. The original must be submitted unbound and must bear an original authorized signature and be clearly externally designated as the original. The six (6) copies must be bound in three ring binders. **In addition you must submit one (1) copy of the file on CD requested in Section 2.13.11.**

### 1.5 Approval Process for Applicants

- 1.5.1 **Screening.** The following items will be grouped for screening purposes and given either a pass or fail rating:

1.5.1.1 Financial Requirements:

1.5.1.1.1 Net Worth

1.5.1.1.2 Solvency

1.5.1.1.3 Financial Plan

- 1.5.1.2 Each completed Application passing the financial requirements above will then be screened to determine whether the Completed Application is responsive to all requirements of this Application. The Department reserves the right to waive any minor, insubstantial variances in form of any completed Application.

- 1.5.2 **Evaluation.** Completed Applications will be reviewed in relation to the requirements of this Application and the Model Contract. The Department may take its prior experience and knowledge of the Applicant into account in reviewing Completed Applications. The following items will be grouped for evaluation purposes and given either a pass or fail rating:

1.5.2.1 Program

1.5.2.1.1 Statement of Opportunity

1.5.2.1.2 Organization/Operation

- 1.5.2.1.3 Network Adequacy
- 1.5.2.1.4 Quality Assurance
- 1.5.2.1.5 Encounter Data
- 1.5.2.1.6 Health Information Technology
- 1.5.2.1.7 State's Experience with Applicant

**1.5.3 Notification of Results of Completed Application Review.** Completed Applications must pass each portion above to receive approval. Approval of the MCCN Application shall not be deemed as approval to contract with the Department as an MCCN. Department will notify the Applicant of its pass or fail rating in writing within a timeframe determined by the Department.

## **2.0 GENERAL INFORMATION**

### **2.1 Name of Applicant and Legal Status**

**2.1.1** The Completed Application must clearly identify the name of the Applicant. The Completed Application must identify the legal status of the Applicant from one of the organizational types listed below:

- 2.1.1.1** Individual
- 2.1.1.2** Sole proprietor
- 2.1.1.3** Partnership/ Legal corporation
- 2.1.1.4** Tax-exempt
- 2.1.1.5** Corporation providing or billing medical or health care services
- 2.1.1.6** Corporation NOT providing or billing medical or health care services
- 2.1.1.7** Governmental entity
- 2.1.1.8** Nonresident alien
- 2.1.1.9** Estate or trust
- 2.1.1.10** Pharmacy (Non-Corp)
- 2.1.1.11** Pharmacy/Funeral Home/Cemetery (Corp)
- 2.1.1.12** Other

### **2.2 Designated Contact**

**2.2.1** The Completed Application must clearly indicate the name, title, phone number, e-mail address, facsimile number and address of the individual designated to receive, on behalf of the Applicant, all communications from the Department concerning this Application.

### **2.3 Public Contracts Number**

**2.3.1** Applicants with 15 or more employees must have a Public Contracts Number issued by (or completed application submitted to) the Illinois Department of Human Rights (DHR) prior to submitting this Application. Proof of issuance of a Public Contracts Number must be provided prior to execution of a Contract. DHR may be contacted at 312-814-2431.

### **2.4 Federal Taxpayer Identification Number**

**2.4.1** The Completed Application must provide the Applicant's federal taxpayer identification number.

### **2.5 Freedom of Information Act Exemption Request**

**2.5.1** The Applicant must clearly identify any portion of the Completed Application that the Applicant considers exempt from disclosure under the Illinois Freedom of Information Act. A detailed written explanation as to why the specified information should be considered exempt must be provided.

### **2.6 Ownership and Governance**

**2.6.1** State the full name, address, and telephone number of the Applicant. Provide the name, work address, home address, date of birth, social security number and gender of each responsible director.

**2.6.2** Describe the role of the board of directors in governance and policy making.

**2.6.3** Provide details on the ownership and governance of the organization. This includes submitting a current organizational chart defining levels of ownership, governance and management.

- 2.6.4 Specify the manner in which Enrollees are to be represented, if any, in an advisory or decision-making capacity concerning the Contract.
- 2.7 **Disclosure.** Provide the following:
- 2.7.1 The name, address and FEIN of each Person with an Ownership or Controlling Interest.
- 2.7.2 Whether any of the Persons so identified is related to another so identified as the individual's spouse, child, brother, sister, or parent.
- 2.7.3 The name of any Person with an Ownership or Controlling Interest, who also has an ownership or controlling interest of five percent (5%) or more in another disclosing entity, as defined in 42 CFR 455.101, and the name or names of the other disclosing entity.
- 2.7.4 The name and address of any Person with an Ownership or Controlling Interest or who is an agent or employee of the Applicant who has been convicted of a criminal offense related to that Person's involvement in any Federal program including any program under Title XVIII, XIX, XX or XXI of the Social Security Act, since the inception of such programs.
- 2.7.5 Whether any Person identified in subsections 2.7.1 through 2.7.4 above, is terminated, suspended, barred or otherwise excluded from participation, or has voluntarily withdrawn as the result of a settlement agreement, from any program under Federal law including any program under Titles XVIII, XIX, XX or XXI of the Social Security Act, or has within the last five (5) years been reinstated to participation in any program under Federal law including any program under Titles XVIII, XIX, XX or XXI of the Social Security Act, and prior to said reinstatement had been terminated, suspended, barred or otherwise excluded from participation, or had voluntarily withdrawn as the result of a settlement agreement, in such programs.
- 2.8 **Financial Requirements.** The Department has filed proposed rules amending the financial requirements for a MCCN. Those proposed rules can be found at: <http://www2.illinois.gov/hfs/PublicInvolvement/cc/Pages/default.aspx>. Given the effective date of those proposed rules, a Contract with a MCCN will be subject to those requirements for the term of the Contract. The Department will review and evaluate this application as part of the Solicitation or RFP based on the financial requirements of the proposed rules. In all events, including but not limited to the event that those proposed rules are not promulgated or are adopted with amendments, the Department reserves the right not to enter into a contract with a MCCN. In no event will the solvency and financial standards be more restrictive than the solvency and financial standards adopted under Section 1856(a) of the Social Security Act for provider-sponsored organizations. No points are assigned to financial requirements. A MCCN or proposed MCCN that fails to meet the financial requirements will not be awarded a MCCN contract under any Solicitation or RFP.
- 2.8.1 **Net Worth.** State your net worth. Provide audited financial statements, tax returns, books, records, or any other documentation sufficient for the Department to verify or otherwise calculate your net worth. Provide a certification that, if you are awarded a MCCN contract pursuant to the Solicitation, your net worth at the time such contract is entered will be no less than \$500,000.
- 2.8.2 **Solvency.** Provide documentation that you have no less than \$250,000 in cash or cash equivalents. Provide a certification that, if you are awarded a MCCN contract pursuant to the Solicitation or RFP, you will have at the time such contract is entered, and will maintain thereafter, \$250,000 or 40% of your required minimum net worth, whichever is greater, in cash or cash equivalents. Provide documentation that your solvency is guaranteed by guarantees or letters of credit from recognized financial institutions or by the establishment of escrow or trust accounts. Provide documentation that you have deposited \$100,000 in cash or securities (or any combination thereof) in a trust or escrow account, and that such account restricts the deposit for use in the event of insolvency to help assure continuation of services or pay costs associated with receivership or liquidation. Provide a certification that, if you are awarded a MCCN contract pursuant to the Solicitation or RFP, any time uncovered expenditures exceed 10% of your total health care expenditures you will place, with a recognized financial institution or trustee, a deposit with a fair market value of 120% of your outstanding liability for uncovered expenditures for Enrollees, including incurred, but not reported claims, and that such deposit will be restricted and in trust

for the Department's use to protect the interests of Enrollees and to pay the costs associated with administering an insolvency. Provide a certification that Enrollees will in no case be held liable for your debts in the event of your insolvency.

- 2.8.3 Financial Plan.** Provide a financial plan that meets the requirements of 42 CFR 422.384(a)-(f).
- 2.9 References**
- 2.9.1** The Completed Application must provide at least three references the Department may contact concerning the Applicant's qualification to perform the duties and services described in this Application. For each reference, Applicants must provide the name of the organization; the name, title, address and telephone number of the individual to contact for the reference; and the nature of the relationship of the organization to the Applicant. Do not include Department staff as references.
- 2.10 Applicant's Statement of Opportunity**
- 2.10.1** Provide a general narrative description of the proposed programs and services to be provided under the potential Contract. Describe how these services meet the needs of Enrollees.
- 2.10.2** State in succinct terms the Applicant's understanding of the opportunity presented by this Application. This includes:
- 2.10.2.1** demonstrating an understanding of managed care concepts and their applicability to Potential Enrollees. Outline unique areas of concern relevant to the proposed population and describe how the Applicant intends to address them;
  - 2.10.2.2** describing the organization's ability to control costs while improving the quality of care and improving the health outcomes of Enrollees; and
  - 2.10.2.3** explaining how the Applicant will improve the general health status of the Potential Enrollee population in the area that the Applicant proposes to serve under the potential Contract.
- 2.11 Organization/Operation**
- 2.11.1** Discuss the history, if any, and ownership of your organization.
- 2.11.2** Include your experience in providing managed care in general.
- 2.11.3** List which RFP or Solicitation under the Innovations Project you plan on responding to as a MCCN.
- 2.12 Populations/Geography**
- 2.12.1** What populations under the Innovations Project are you proposing to serve?
- 2.12.2** Which geographic areas under the Innovations Project are you proposing to serve?
- 2.13 Network Adequacy.**
- 2.13.1** Describe how you will establish medical homes and equip them to promote wellness and preventive care, manage Chronic Health Conditions and fully coordinate care. Describe how you will ensure that frail older adults or persons with Developmental Disabilities, physical disabilities, or Serious Mental Illness, have medical homes equipped to handle the special needs of these subpopulations and how you will ensure access to the Medical Home when needed by all Enrollees, including access beyond normal business hours. Describe your ratios of PCPs to Enrollees and any limits you may have on panel sizes and how you determine those limits.
- 2.13.2** Describe any hospitalist and SNFist program you propose to operate, including employment relationship and targeted caseloads of these providers.
- 2.13.3** Describe any home visit and telehealth programs you propose to operate.

- 2.13.4 Describe any palliative care program you propose to operate.
- 2.13.5 Describe the ability of your network laboratories to report electronic lab values for use in performance measures and Case Management.
- 2.13.6 Describe how you will assure access to dental services for applicable populations, including those with special needs.
- 2.13.7 Describe the mental health continuum of services you will use for those with serious mental illness (SMI) and the continuum of services for those with mental health and behavioral health needs that may not meet SMI and your rationale for this continuum.
- 2.13.8 Describe the process and criteria you will use, both initially and ongoing, to identify substance abuse and mental health Providers who will be Providers within your network. Describe how you propose to evaluate the existing substance abuse and mental health Provider pool to provide Covered Services.
- 2.13.9 Describe your approach to ensuring quality nursing care to Residents of Nursing Facilities, ICF/DD facilities, and home and community-based services. Include experience and innovations in providing this service under other contracts.
- 2.13.10 Describe any services you will offer to Enrollees beyond those required to be provided in the Solicitation or RFP.
- 2.13.11 Provide a CD listing your network of Affiliated hospitals, health centers, PCPs, behavioral health providers, pharmacies, dentists, including oral surgeons, and ancillary providers for providing services listed in the Solicitation or RFP. If you subcontract for Case Management services, list other provider types you are contracting with. Indicate your level of commitment by describing your agreements, i.e. Letter of Intent, Pending Contract, Contract. The data should be submitted in a Microsoft Excel file format including the following fields:
- 2.13.11.1 Provider Last Name
  - 2.13.11.2 Provider First Name
  - 2.13.11.3 Provider Specialty
  - 2.13.11.4 Provider Address
  - 2.13.11.5 Provider County
  - 2.13.11.6 NPI
  - 2.13.11.7 Provider Tax ID
  - 2.13.11.8 Agreement Description
- 2.13.12 Provide distinct maps indicating the distribution of Providers, including PCPs, specialist, hospitals, behavioral health Providers, dentists and oral surgeons if applicable, and other Providers available in the Contracting Area. Describe how the Network assures adequate access to services throughout the Contracting Area.
- 2.13.13 Detail your criteria for medical home selection for Enrollees, including standards for maximum distance or travel times, and ADA compliant facilities and equipment for those that need it.
- 2.13.14 Describe how you will use safety net providers that have traditionally served Enrollees, such as FQHCs, Certified Local Health Departments and Community Mental Health Centers.
- 2.13.15 Detail your Provider credentialing and recredentialing process.
- 2.13.16 Describe how you will evaluate Provider sites to ensure that special needs populations have access to those sites and that sufficient sites are equipped to serve Enrollees with developmental or other disabilities.

- 2.13.17 Describe how you will assure cultural competency throughout your network. What training programs and support do you offer staff and Providers regarding cultural competency?
- 2.14 Quality Assurance Program**
- 2.14.1 Describe your Quality Program, including your philosophy and resources invested toward your QAPI Program, including but not limited to:
- 2.14.1.1 Governing Body;
  - 2.14.1.2 Committee for development, implementation, and overseeing the QAPI Program;
  - 2.14.1.3 Resources, staffing and qualifications including data and analytical resource;
  - 2.14.1.4 Provider participation through planning, design, implementation and review;
  - 2.14.1.5 QAPI Program education to Providers and Enrollees; and
  - 2.14.1.6 Draft Quality Assurance and Performance Improvement Plan.
- 2.14.2 Describe your ongoing monitoring and evaluation of your QAPI including:
- 2.14.2.1 Overall effectiveness and demonstrated improvement;
  - 2.14.2.2 Ongoing analysis of key performance measures; and
  - 2.14.2.3 Frequency of monitoring, evaluation and analysis.
- 2.14.3 Describe your experience performing quality improvement projects (PIPs). Give examples of actual PIPs, detailing the PIP's focus and reason for selection, barriers, interventions used, and improvement achieved, including sustained improvement.
- 2.14.4 Provide a narrative describing your Utilization Management (UM) Program Plan description as well as its functions and responsibilities, and how you exercise these responsibilities, including criteria used and any special issues in applying Utilization Management guidelines for behavioral health, waiver services and long term care services. Describe how your UM Program detects, monitors, and evaluates under-utilization, over-utilization, and inappropriate utilization of services as well as processes to address opportunities for improvement.
- 2.14.5 Specify the type of personnel responsible for each level of UM, including prior authorization and decision-making. Provide a narrative description of your prior authorization processes.
- 2.14.6 Describe your methods of assuring the appropriateness of inpatient care. Such methodologies shall be based on individualized determinations of medical necessity in accordance with UM policies and procedures, and at a minimum include:
- 2.14.6.1 preadmission certification process for non-emergent admission;
  - 2.14.6.2 a concurrent review program to monitor and review continued inpatient hospitalization, length of stay or diagnostic ancillary services regarding medical necessity;
  - 2.14.6.3 admission review for urgent and/or emergency admissions; and
  - 2.14.6.4 reviews of same day surgery procedures.
- 2.15 Encounter Data**
- 2.15.1 Complete Encounter Data will be critical to calculating Medical Loss Ratios and will be used for future rate settings. Describe how you will assure that your Providers submit all encounter data to you, particularly if you sub-capitate any providers.
- 2.15.2 Describe your experience submitting Encounter Data provided to a Medicaid agency, Medicare agency or private payer. How successful were you in getting the data accepted by the payers' system? What percentage of encounter data were you able to get successfully accepted?



## 2.16 Health Information Technology

- 2.16.1 Give an overview of how you will use health information technology (HIT) to provide care coordination and Care Management including how it will:
  - 2.16.1.1 Maintain a profile for each Enrollee that includes demographics, PCP, Care Management assignment, and the results of the risk assessment;
  - 2.16.1.2 Notify providers, Enrollees and the care team of risk assessment results and care gap alerts;
  - 2.16.1.3 Track care delivered outside the medical home;
  - 2.16.1.4 Support Care Management activities; and
  - 2.16.1.5 Track inbound and outbound Enrollee communication including among the Enrollee, their Providers, and the interdisciplinary care team.
- 2.16.2 Describe the technology resources of your major network Providers:
  - 2.16.2.1 At the time of your Application submission;
  - 2.16.2.2 Any projected improvements by the time of potential Contract implementation, and list expected milestones during the term of the potential Contract;  
List:
    - 2.16.2.2.1 How many have fully functioning Electronic Medical Records (EMRs);
    - 2.16.2.2.2 How many are currently in the process of converting to EMRs;
    - 2.16.2.2.3 Which groups of Providers share the same EMRs;
    - 2.16.2.2.4 What percentage of prescriptions are dispensed using e-prescribing; and
    - 2.16.2.2.5 Any other available HIT uses that are pertinent to the management of care for Enrollees.
- 2.16.3 Describe your ability to exchange health information with:
  - 2.16.3.1 Providers that have functioning EMRs;
  - 2.16.3.2 Providers that do not have functioning EMRs.
    - 2.16.3.2.1 For those Providers without functioning EMRs, describe your process for exchanging clinical information.
- 2.16.4 Describe how you will promote meaningful use of HIT by Providers within your network.
- 2.16.5 Describe the functionalities of your HIT resources at the Plan level at:
  - 2.16.5.1 The time of your Application;
  - 2.16.5.2 Any projected improvements by the time of potential Contract implementation; and
  - 2.16.5.3 List expected milestones during the term of the potential Contract.
- 2.16.6 Describe any resources you plan to provide to your network Providers in the area of HIT. In particular, describe any plans for HIT in the area of behavioral health.

## MODEL CONTRACT

Article I	Definitions and Acronyms
Article II	Terms and Conditions
Article III	Eligibility
Article IV	Enrollment, Coverage and Termination of Coverage
Article V	Duties of Contractor
Article VI	Duties of the Department
Article VII	Payment and Funding
Article VIII	Term, Renewal and Termination
Article IX	General Terms

STATE OF ILLINOIS

CONTRACT

Between the

ILLINOIS DEPARTMENT OF HEALTHCARE  
AND FAMILY SERVICES

and

\_\_\_\_\_, AN ILLINOIS \_\_\_\_\_

for

Furnishing Health Services to  
Medicaid Beneficiaries  
Under the \_\_\_\_\_

## ARTICLE I

### DEFINITIONS AND ACRONYMS

The following terms and acronyms as used in this Contract and the attachments, exhibits, addenda and amendments hereto shall be construed and interpreted as follows, unless the context otherwise expressly requires a different construction or interpretation:

[To Be Completed]

**ARTICLE II**  
**TERMS AND CONDITIONS**

**2.1 Rules of Construction.** Unless otherwise specified or the context otherwise requires:

- 2.1.1 Provisions apply to successive events and transactions;
- 2.1.2 "Or" is not exclusive;
- 2.1.3 References to statutes, regulations, and rules include subsequent amendments and successors thereto;
- 2.1.4 The various headings of this Contract are provided for convenience only and shall not affect the meaning or interpretation of this Contract or any provision hereof;
- 2.1.5 If any payment or delivery hereunder between Contractor and the Department shall be due on any day that is not a Business Day, such payment or delivery shall be made on the next succeeding Business Day;
- 2.1.6 Words in the plural that should be singular by context shall be so read, and words in the singular shall be read as plural where the context dictates;
- 2.1.7 Days shall mean calendar days;
- 2.1.8 References to masculine or feminine pronouns shall be interchangeable where the context requires;
- 2.1.9 References in the Contract to Potential Enrollee, Prospective Enrollee and Enrollee shall include the parent, caretaker relative or guardian where such Potential Enrollee, Prospective Enrollee or Enrollee is an adult for whom a guardian has been named; provided, however, that this rule of construction does not require Contractor to provide Covered Services for a parent, caretaker relative or guardian who is not separately enrolled as an Enrollee with Contractor;
- 2.1.10 Contractor agrees that its representations regarding any service, standard or methodology that is in Contractor's response to the Solicitation or Request for Proposal No. \_\_\_\_\_ (RFP), together with any best and final offers agreed to by the Parties in writing and that is not otherwise excluded from, prohibited by, contrary to or materially altered by this Contract is a binding duty, responsibility or obligation on Contractor and performance of such, or similar as may be agreed to by the Parties, may be required by the Department without amending this Contract. The Parties acknowledge that Contractor may have specifically provided names of various programs, methodologies, strategies and coordination tools that Contractor uses in the conduct of its business separate and apart from this Contract and that these names and their descriptions may be referenced from time to time throughout this Contract. The Department acknowledge that Contractor may change the names of the various programs, methodologies, strategies and coordination tools, may change its vendors providing such, and may enhance such from time to time without amending this Contract; provided, however, that at no time may Contractor diminish their functionality in the aggregate;
- 2.1.11 The terms of this Contract shall be interpreted if possible to be consistent with the terms of the Solicitation or RFP under which the Contract was awarded and with the Proposal submitted by Contractor in response to the Solicitation or RFP. In the event of a conflict, the order of precedence for the interpretation of this Contract is: this Contract (including amendments, schedules, attachments, addenda and exhibits), the Solicitation or RFP (including the State's responses to questions submitted by potential offerors), and the Proposal submitted by Contractor in response to the Solicitation or RFP;
- 2.1.12 Whenever this Contract requires that an action be taken within a specified time period after receipt of a notice, document, report or other communication, the date the notice, document, report or other communication shall be deemed to have been received shall be in accordance with the following:
  - 2.1.12.1 if sent by first class mail, on the date of postmark by the United States Postal Service (USPS);
  - 2.1.12.2 if sent by registered or certified mail, on the date of signature on the USPS return receipt;
  - 2.1.12.3 if sent by courier or hand-delivery, on the date of signature on the courier's receipt form;
  - 2.1.12.4 if sent by e-mail, fax, or other electronic means, on the date of transmission.
- 2.1.13 Whenever this Contract requires that a notice, document, report or other communication be sent within a specified time period after another action, the date the notice, document, report or other communication shall be deemed to have been sent shall be in accordance with the following:
  - 2.1.13.1 if sent by first class, registered or certified mail, on the date of postmark by the USPS;
  - 2.1.13.2 if sent by courier, on the date of delivery to the courier;

2.1.13.3 if sent by e-mail, fax, or other electronic means, on the date of transmission.

**2.2 Performance of Services and Duties.** Contractor shall perform all services and other duties as set forth in this Contract in accordance with, and subject to, all applicable federal and State statutes, rules and regulations.

**2.3 Certificate of Authority.** Contractor must obtain and maintain during the term of this Contract a valid \_\_\_\_\_ as a \_\_\_\_\_ under \_\_\_\_\_. Contractor shall provide proof of \_\_\_\_\_ upon the Department's or CMS' request.

**2.4 Obligation to Comply with Other Laws.** No obligation imposed herein on Contractor shall relieve Contractor of any other obligation imposed by law or regulation, including, but not limited to, those imposed by the Managed Care Reform and Patient Rights Act (215 ILCS 134/1 et seq.), the federal Balanced Budget Act of 1997 (Public Law 105-33), and regulations promulgated by the Illinois Department of Financial and Professional Regulation, the Illinois Department of Public Health or CMS. The Department or CMS shall report to the appropriate agency any information it receives that indicates a violation of a law or regulation. The Department or CMS will inform Contractor of any such report unless the appropriate agency to which the Department or CMS has reported requests that the Department or CMS not inform Contractor.

**2.4.1** If Contractor believes that it is impossible to comply with a provision of this Contract because of a contradictory provision of applicable State or federal law, Contractor shall immediately notify the Department. The Department then will make a determination of whether an amendment to this Contract is necessary. The fact that either the Contract or an applicable law imposes a more stringent standard than the other does not, in and of itself, render it impossible to comply with both.

**2.5 Provision of Covered Services through Affiliated Providers.** Where Contractor does not employ Physicians or other Providers to provide direct health care services, every provision in this Contract by which Contractor is obligated to provide Covered Services of any type to Enrollees, including, but not limited to, provisions stating that Contractor shall "provide Covered Services," "provide quality care," or provide a specific type of health care service, such as the enumerated Covered Services in Section 5.1, shall be interpreted to mean that Contractor shall arrange for the provision of those Covered Services through its network of Affiliated Providers.

**2.6 Cultural Competence.** Contractor shall implement a Cultural Competence Plan, and Covered Services shall be provided in a culturally competent manner by ensuring the cultural competence of all Contractor staff, from clerical to executive management, and the Provider network. Contractor shall implement the NCQA Standards for Culturally and Linguistically Appropriate Services in Health Care (CLAS Standards).

**2.6.1 Cultural Competence Plan.** Contractor's Cultural Competence Plan shall address the challenges of meeting the health care needs of Enrollees. Contractor's Cultural Competence Plan shall contain, at a minimum, the following provisions:

**2.6.1.1** Involvement of executive management, support, Individualized Care Plans, and Providers in the development and on-going operation of the Cultural Competence Plan;

**2.6.1.2** The individual executive position responsible for executing and monitoring the Cultural Competence Plan;

**2.6.1.3** The creation and on-going operation of a committee or group within Contractor to assist Contractor to meet the cultural needs of its Enrollees;

**2.6.1.4** The assurance of cultural competence at each level of care;

**2.6.1.5** Indicators within the Cultural Competence Plan to be used as benchmarks toward achieving cultural competence;

**2.6.1.6** The written policies and procedures for cultural competence;

**2.6.1.7** The strategy and method for recruiting staff with backgrounds representative of Enrollees served;

**2.6.1.8** The availability of interpretive services;

**2.6.1.9** On-going strategy and its operation to ameliorate transportation barriers;

**2.6.1.10** On-going strategy and its operation to meet the unique needs of Enrollees who have Developmental Disabilities and Cognitive Disabilities;

**2.6.1.11** On-going strategy and its operation to provide services for home-bound Enrollees;

**2.6.1.12** On-going strategy and its operation describing how Contractor will engage local organizations to develop or provide cultural competency training and collaborate on initiatives to increase and measure the effectiveness of culturally competent service delivery; and,

**2.6.1.13** Description of how cultural competence will be and is linked to health outcomes.

- 2.6.2 **Staff.** Contractor shall proactively hire staff who reflects the diversity of Enrollee demographics. Contractor shall require all staff to complete linguistic and cultural competency training upon hire, and no less frequently than annually thereafter. Contractor shall provide training targeted to individual staff members as necessary.
- 2.6.3 **Providers.** Contractor shall contract with a culturally-diverse network of Providers of both genders, and prioritize recruitment of bilingual or multi-lingual Providers. Provider contracts will require compliance with Contractor's Cultural Competence Plan. During the credentialing and recredentialing process, Contractor will confirm the languages used by Providers, including American Sign Language, and physical access to Provider office locations.
- 2.6.4 **Subcontractors.** Contractor will require that its Subcontractors (i) comply with Contractor's Cultural Competence Plan, and (ii) complete Contractor's initial and annual cultural competence training. Contractor's Delegated Oversight Committee will provide oversight of Subcontractors to ensure compliance with contractual and statutory requirements, including, but not limited to, the Illinois Human Rights Act, the U. S. Civil Rights Act, and Section 504 of the federal Rehabilitation Act. This oversight will occur through quarterly delegation oversight audits, monthly joint operation meetings and regular monitoring of Enrollee Complaints.
- 2.6.5 **Provider Monitoring.** Contractor shall perform Quality Assurance evaluations of Provider practices, which shall include monitoring of Enrollee accessibility to ensure linguistic and physical accessibility. Contractor shall support Providers in achieving accessibility.
- 2.6.6 **Readiness Review.** Contractor shall submit its completed Cultural Competence Plan to the Department at least one (1) week prior to the Department's Readiness Review.
- 2.7 **Provider Site Access.** All Provider locations where Enrollees receive services shall comply with the requirements of the Americans with Disabilities Act (ADA). Contractor's network shall have Provider locations that are able to accommodate the unique needs of Enrollees.
- 2.8 **BEP Goals.**
- 2.8.1 Contractor shall meet the BEP subcontracting goals set by the Department. The Department shall notify Contractor of the goal at least ninety (90) days prior to the start of each State Fiscal Year. The goal will be set as percentages of the Administrative Allowance included in Capitation payments made to Contractor as set forth in Attachment \_\_, multiplied by the anticipated Enrollee months during the State Fiscal Year. The calculation for State Fiscal Year 2013 is Addendum A to Attachment \_\_ and, for subsequent State Fiscal Years, additional addenda may be appended to Attachment \_\_ upon written notice to Contractor without amendment of this Contract.
- 2.9.2 Prior to the start of each State Fiscal Year, Contractor shall submit a BEP Utilization Plan for such State Fiscal Year, in a format specified by the Department, sufficient to demonstrate compliance with the goals set by the Department for such State Fiscal Year. Contractor shall maintain a record of all relevant data with respect to the utilization of BEP certified subcontractors, including, but not limited to, payroll records, invoices, canceled checks and books of account, for a period of at least five (5) years after the completion of this Contract. Upon three (3) Business Days' written notice, Contractor shall grant full access to these records to any Authorized Person. The Department shall have the right to obtain from Contractor any additional data reasonably related or necessary to verify any representations by Contractor.

## ARTICLE III

### ELIGIBILITY

- 3.1 **Determination of Eligibility.** The Department has the exclusive right to determine an individual's eligibility for Medicaid under the HFS Medical Program. The Department has the exclusive right to determine an individual's eligibility to become an Enrollee. Such determinations shall be final and are not subject to review or appeal by Contractor. Nothing in this Article III prevents Contractor from providing the Department with information Contractor believes indicates that an Enrollee's eligibility was incorrectly determined or has changed so that enrollment with Contractor is no longer appropriate or that the Capitation rate for that Enrollee should be adjusted.
- 3.2 **Nondiscrimination.** Contractor shall not discriminate against a Potential Enrollee, Prospective Enrollee or Enrollee on any basis prohibited by Section 9.1.23.



ARTICLE IV

ENROLLMENT, COVERAGE  
AND TERMINATION OF COVERAGE

[To Be Completed]

ARTICLE V  
DUTIES OF CONTRACTOR  
[To Be Completed]

ARTICLE VI  
DUTIES THE DEPARTMENT  
[To Be Completed]

ARTICLE VII  
PAYMENT AND FUNDING  
[To Be Completed]

## ARTICLE VIII

### TERM, RENEWAL AND TERMINATION

- 8.1 Term of this Contract.** This Contract shall take effect on the Effective Date and shall continue for \_\_\_\_\_.
- 8.2 Renewal.** If the Contract is renewed, the renewal shall be subject to the same terms and conditions as the original Contract unless otherwise stated. The Contract may not renew automatically, nor may the Contract renew solely at Contractor's option. The Department reserves the right to renew for \_\_\_\_\_.
- 8.3 Continuing Duties in the Event of Termination.** Upon termination of this Contract, the Parties are obligated to perform those duties that survive under this Contract. Such duties include, but are not limited to, payment to Affiliated or non-Affiliated Providers, completion of Enrollee satisfaction surveys, cooperation with medical records review, all reports for periods of operation, including Encounter Data, and retention of records. Termination of this Contract does not eliminate Contractor's responsibility to the Department for overpayments which the Department determines in a subsequent audit may have been made to Contractor, nor does it eliminate any responsibility the Department may have for underpayments to Contractor. Contractor warrants that if this Contract is terminated, Contractor shall promptly supply all information in its possession or that may be reasonably obtained, which is necessary for the orderly transition of Enrollees and completion of all Contract responsibilities.
- 8.4 Immediate Termination for Cause.** In addition to any other termination rights under this Contract, the Department may terminate this Contract, in whole or in part, immediately upon notice to Contractor if it is determined that the actions, or failure to act, of Contractor, its agents, employees or subcontractors have caused, or reasonably could cause, jeopardy to health, safety, or property. This Contract may be terminated immediately if the Department determines that Contractor fails to meet the financial requirements established by the Illinois Department of Insurance pursuant to the Health Maintenance Organization Act or by the Department relating to a MCCN.
- 8.5 Termination for Cause.** In addition to any other termination rights under this Contract, if Contractor fails to perform to the Department's satisfaction any material requirement of this Contract or is in violation of a material provision of this Contract, the Department will provide written notice to Contractor requesting that the breach or noncompliance be remedied within the period of time specified in the Department's written notice, which shall be no fewer than sixty (60) days. If the breach or noncompliance is not remedied by that date, the Department may: (i) immediately terminate the Contract without additional written notice, or (ii) enforce the terms and conditions of the Contract. In either event, the Department may also seek any available legal or equitable remedies and damages.
- 8.6 Social Security Act.** This Contract may be terminated by the Department with cause upon at least fifteen (15) days' written notice to Contractor for any reason set forth in Section 1932(e)(4)(A) of the Social Security Act. In the event such notice is given, Contractor may request in writing a hearing, in accordance with Section 1932 of the Social Security Act by the date specified in the notice. If such a request is made by the date specified, then a hearing under procedures determined by the Department will be provided prior to termination. The Department reserve the right to notify Enrollees of the hearing and its purpose and inform them that they may disenroll from Contractor, and to suspend further enrollment with Contractor during the pendency of the hearing and any related proceedings.
- 8.7 Temporary Management.** While one (1) or more agencies of the State have the authority and retain the power under 42 C.F.R. 438.702 to impose temporary management upon Contractor for repeated violations of the Contract, the Department may exercise the option to terminate the Contract prior to imposition of temporary management. This does not preclude other State agencies from exercising such power at their discretion.
- 8.8 Termination for Convenience.** Following ninety (90) days' written notice, the Department may terminate this Contract in whole or in part without paying penalty or incurring any further obligation to Contractor.
- 8.9 Other Termination Rights.** This Contract may be terminated immediately or upon notice by the Department, in its sole discretion, in the event of the following:
- 8.9.1** Material failure of Contractor to maintain the representations, warranties and applicable certifications set forth in Section 9.2.
  - 8.9.2** Failure of Contractor to maintain general liability insurance coverage as required in this Contract.
  - 8.9.3** Any case or proceeding is commenced by or against Contractor seeking a decree or order with respect to the other party under the United States Bankruptcy Code or any other applicable bankruptcy or other similar law, including, without limitation, laws governing liquidation and receivership, and such proceeding is not dismissed within ninety (90) days after its commencement.
  - 8.9.4** Material misrepresentation or falsification of any information provided by Contractor in the course of dealings between the Parties.

- 8.9.5 Contractor takes any action to sell, transfer, dissolve, merge, or liquidate its business.
- 8.9.6 Failure of the Parties to negotiate an amendment necessary for statutory or regulatory compliance as provided in this Contract.
- 8.9.7 Funds for this Contract become unavailable as set forth in Section 7.\_\_\_\_ or Section 9.1.1.
- 8.10 **Automatic Termination.** This Contract shall automatically terminate on a date set by the Department upon the conviction of a felony of Contractor, or a Person with an Ownership or Controlling Interest in Contractor.
- 8.11 **Reimbursement in the Event of Termination.** In the event of termination of this Contract, Contractor shall be responsible and liable for payment to Providers for any and all claims for Covered Services rendered to Enrollees prior to the effective termination date.

**ARTICLE IX**  
**GENERAL TERMS**

**9.1 Standard Business Terms and Conditions**

- 9.1.1 Availability of Appropriation (30 ILCS 500/20-60):** This Contract is contingent upon and subject to the availability of funds. The Department, at its sole option, may terminate or suspend this Contract, in whole or in part, without penalty or further payment being required, if: (i) the Illinois General Assembly or the federal funding source fails to make an appropriation sufficient to pay such obligation, or if funds needed are insufficient for any reason; (ii) the Governor decreases the Department's funding by reserving some or all of the Department's appropriation(s) pursuant to power delegated to the Governor by the Illinois General Assembly; or (iii) the Department determines, in its sole discretion or as directed by the Office of the Governor, that a reduction is necessary or advisable based upon actual or projected budgetary considerations. Contractor will be notified in writing of the failure of appropriation or of a reduction or decrease.
- 9.1.2 Audit/Retention Of Records (30 ILCS 500/20-65):** Unless otherwise required by this Contract, Contractor and its subcontractors shall maintain books and records relating to the performance of the Contract or any subcontract and necessary to support amounts charged to the United States or the State under the Contract or subcontract. Books and records, including information stored in databases or other computer systems, shall be maintained by Contractor for a period of three (3) years from the later of the date of final payment under the Contract or completion of the Contract, and by a subcontractor for a period of three (3) years from the later of the date of final payment under the subcontract or completion of the subcontract. If federal funds are used to pay Contract costs, Contractor and its subcontractors must retain the books and records for five (5) years. Books and records required to be maintained under this Section 9.1.2 shall be available for review or audit by representatives of the Department, the Auditor General, the Executive Inspector General, the Chief Procurement Officer, State of Illinois internal auditors or other federal or State governmental entities with monitoring authority, upon reasonable notice and during normal business hours. Contractor and its subcontractors shall cooperate fully with any such audit and with any investigation conducted by any of these entities. Failure to maintain the books and records required by this Section 9.1.2 shall establish a presumption in favor of the United States and the State for the recovery of any funds paid by the United States or the State under the Contract for which adequate books and records are not available to support the purported disbursement. Contractor or its subcontractors shall not impose a charge for audit or examination of Contractor's books and records.
- 9.1.3 Time Is Of The Essence:** Time is of the essence with respect to Contractor's performance of this Contract. Unless otherwise directed by the Department, Contractor shall continue to perform its obligations while any dispute concerning the Contract is being resolved.
- 9.1.4 No Waiver of Rights:** Except as specifically waived in writing, failure by a Party to exercise or enforce a right does not waive that Party's right to exercise or enforce that or other rights in the future.
- 9.1.5 Force Majeure:** Failure by either Party to perform its duties and obligations will be excused by unforeseeable circumstances beyond its reasonable control and not due to its negligence, including but not limited to acts of nature, acts of terrorism, riots, labor disputes, fire, flood, explosion, and governmental prohibition. The non-declaring Party may cancel the Contract without penalty if performance does not resume within thirty (30) days after the declaration.
- 9.1.6 Confidential Information:** It is understood that each Party to this Contract, including its agents and subcontractors, may have or gain access to confidential data or information owned or maintained by the other Party in the course of carrying out its responsibilities under this Contract. Contractor shall presume all information received from CMS and the State, or to which it gains access pursuant to this Contract, is confidential. Contractor's information (excluding information regarding rates paid by Contractor to its Providers and subcontractors), unless clearly marked as confidential and exempt from disclosure under the federal and Illinois Freedom of Information Acts, shall be considered public. No confidential data collected, maintained, or used in the course of performance of the Contract shall be disseminated except as authorized by law and with the written consent of the disclosing Party, either during the term of the Contract or thereafter, or as otherwise set forth in this Contract. The receiving Party must return any and all data collected, maintained, created or used in the course of the performance of the duties of this Contract, in whatever form it is maintained, promptly at the end of the term of this Contract, or earlier at the request of the disclosing Party, or notify the disclosing Party in writing of its destruction. The foregoing obligations shall not apply to confidential data or information that is: (i) lawfully in the receiving Party's possession prior to its acquisition from the disclosing Party; (ii) received in good faith from a third-party not subject to any confidentiality obligation to the disclosing Party; (iii) now is or later becomes publicly known through no breach of confidentiality obligation by the receiving Party; or (iv) is independently developed by the receiving Party without the use or benefit of the disclosing Party's Confidential Information.
- 9.1.7 Use And Ownership:** Excluding all materials, information, processes, and programs that are owned by or proprietary to Contractor or that are licensed to Contractor by a Third Party, including any modifications or enhancements thereto, all work performed or

supplies created by Contractor under this Contract, whether written documents or data, goods or deliverables of any kind, shall be deemed work-for-hire under copyright law and all intellectual property and other laws, and the United States and the State are granted sole and exclusive ownership to all such work, unless otherwise agreed in writing. Contractor hereby assigns to the United States and the State all right, title, and interest in and to such work including any related intellectual property rights, and waives any and all claims that Contractor may have to such work, including any so-called "moral rights", in connection with the work. Contractor acknowledges the United States and the State may use the work product for any purpose. Confidential data or information contained in such work shall be subject to confidentiality provisions of this Contract.

- 9.1.8 License:** The federal and State governments reserve a royalty-free, non-exclusive, and irrevocable license to reproduce, publish, or otherwise use, and to authorize others to use, for federal and State government purposes, the copyright in any work developed under a grant, sub-grant, or contract under a grant or sub-grant or any rights of copyright to which a contractor purchases ownership.
- 9.1.9 Indemnification And Liability:** Contractor shall indemnify and hold harmless the United States and the State, their agencies, officers, employees, agents and volunteers from any and all costs, demands, expenses, losses, claims, damages, liabilities, settlements and judgments, including in-house and contracted attorneys' fees and expenses, arising out of: (i) any breach or violation by Contractor of any of its certifications, representations, warranties, covenants or agreements; (ii) any actual or alleged death or injury to any individual, damage to any property or any other damage or loss claimed to result in whole or in part from Contractor's negligent performance; or (iii) any act, activity or omission of Contractor or any of its employees, representatives, subcontractors or agents. No Party shall be liable for incidental, special, consequential or punitive damages.
- 9.1.10 Insurance:** Contractor shall, at all times during the term of this Contract and any renewals thereof, maintain and provide a Certificate of Insurance naming the United States and the State as additional insureds for all required bonds and insurance. Certificates may not be modified or canceled until at least thirty (30) days' notice has been provided to the Department. Contractor shall provide: (i) General Commercial Liability-occurrence form in amount of \$1,000,000 per occurrence (Combined Single Limit Bodily Injury and Property Damage) and \$2,000,000 Annual Aggregate; (ii) Auto Liability, including Hired Auto and Non-owned Auto, (Combined Single Limit Bodily Injury and Property Damage) in amount of \$1,000,000 per occurrence; and (iii) Worker's Compensation Insurance in amount required by law. Insurance shall not limit Contractor's obligation to indemnify, defend, or settle any claims.
- 9.1.11 Independent Contractor:** Contractor shall act as an independent contractor and not an agent or employee of, or joint venturer with, the Department. All payments by the Department shall be made on that basis.
- 9.1.12 Solicitation and Employment:** Contractor shall give notice immediately to the Department's Ethics Officer if Contractor solicits or intends to solicit State employees to perform any work under this Contract.
- 9.1.13 Compliance with the Law:** Contractor, its employees, agents, and subcontractors shall comply with all applicable federal, State, and local laws, rules, ordinances, regulations, orders, federal circulars and license and permit requirements in the performance of this Contract. Contractor shall be in compliance with applicable tax requirements and shall be current in payment of such taxes. Contractor shall obtain at its own expense, all licenses and permissions necessary for the performance of this Contract.
- 9.1.14 Background Check:** Whenever the State deems it reasonably necessary for security reasons, the State may conduct, at its expense, criminal and driver history background checks of Contractor's and its subcontractors' officers, employees or agents. Contractor or the subcontractor shall reassign immediately any such individual who, in the opinion of the State, does not pass the background checks.
- 9.1.15 Applicable Law:** This Contract shall be construed in accordance with and is subject to the laws and rules of the State. The applicable provisions of the Department of Human Rights' Equal Opportunity requirements (44 Ill. Adm. Code 750) are incorporated by reference. Any claim against the State arising out of this Contract must be filed exclusively with the Illinois Court of Claims (705 ILCS 505/1). The State shall not enter into binding arbitration to resolve any contract dispute. The State does not waive sovereign immunity by entering into this Contract. The applicable provisions of the official text of cited statutes are incorporated by reference. In compliance with the Illinois and federal Constitutions, the Illinois Human Rights Act, the U. S. Civil Rights Act, and Section 504 of the federal Rehabilitation Act and other applicable laws and rules, the State does not unlawfully discriminate in employment, contracts, or any other activity.
- 9.1.16 Anti-Trust Assignment:** If Contractor does not pursue any claim or cause of action it has arising under federal or State antitrust laws relating to the subject matter of the Contract, then upon request of the United States Attorney General or the Illinois Attorney General, Contractor shall assign to the United States or the State rights, title and interest in and to the claim or cause of action.
- 9.1.17 Contractual Authority:** The agency that signs for the State shall be the only State entity responsible for performance and payment under the Contract.



- 9.1.18 Notices:** Notices and other communications provided for herein shall be given in writing by first class, registered or certified mail, return receipt requested, by receipted hand delivery, by courier (UPS, Federal Express or other similar and reliable carrier), or by e-mail, fax or other electronic means, showing the date and time of successful receipt as provided in Sections 2.1.12 and 2.1.13. Except as otherwise provided herein, notices shall be sent to the Contract Monitors set forth on Attachment XV using the contact information in that Attachment. By giving notice, either Party may change the Contract Monitor or his or her contact information.
- 9.1.19 Modifications And Survival:** Amendments, modifications and waivers must be in writing and signed by authorized representatives of the Parties. Any provision of this Contract officially declared void, unenforceable, or against public policy, shall be ignored and the remaining provisions shall be interpreted, as far as possible, to give effect to the Parties' intent. All provisions that by their nature would be expected to survive, shall survive termination.
- 9.1.20 Performance Record / Suspension:** Upon request of the Department, Contractor shall meet to discuss performance or provide contract performance updates to help ensure proper performance of this Contract. The Department may consider Contractor's performance under this Contract and compliance with law and rule to determine whether to continue this Contract, suspend Contractor from doing future business with the United States or the State for a specified period of time, or to determine whether Contractor can be considered responsible on specific future contract opportunities.
- 9.1.21 Freedom Of Information Act (FOIA):** This Contract and all related public records maintained by, provided to or required to be provided to the Department are subject to their respective Freedom of Information Acts notwithstanding any provision to the contrary that may be found in this Contract. If CMS or the Department receives a request for a record relating to Contractor under this Contract, or Contractor's provision of services, or the arranging of the provision of services, under this Contract, notice will be provided to Contractor as soon as practicable and, within the period available under FOIA, Contractor may identify those records, or portions thereof, that it in good faith believes to be exempt from production and the justification for such exemption. The Department shall make good faith efforts to notify Contractor regarding a request for a record that has been the subject of a previous request under FOIA.
- 9.1.22 Confidentiality Of Program Recipient Identification:** Contractor shall ensure that all information, records, data, and data elements pertaining to applicants for and recipients of public assistance, or to Providers, facilities, and associations, shall be protected from unauthorized disclosure by Contractor and Contractor's employees, by Contractor's corporate Affiliates and their employees, and by Contractor's subcontractors and their employees, pursuant to 305 ILCS 5/11-9, 11-10, and 11-12; 42 USC 654(26); 42 C.F.R. Part 431, Subpart F; and 45 C.F.R. Part 160 and 45 C.F.R. Part 164, Subparts A and E. To the extent that Contractor, in the course of performing the Contract, serves as a business associate of the Department, as "business associate" is defined in the HIPAA Privacy Rule (45 C.F.R. 160.103), Contractor shall assist the Department in responding to the client as provided in the HIPAA Privacy Rule, and shall maintain for a period of six (6) years any records relevant to an individual's eligibility for services under the Medicare and HFS Medical Programs.
- 9.1.23 Nondiscrimination:** (i) Contractor shall abide by all Federal and State laws, regulations, and orders that prohibit discrimination because of race, color, religion, sex, national origin, ancestry, age, physical or mental disability, including, but not limited to, the Federal Civil Rights Act of 1964, the Americans with Disabilities Act of 1990, the Federal Rehabilitation Act of 1973, Title IX of the Education Amendments of 1972 (regarding education programs and activities), the Age Discrimination Act of 1975, the Illinois Human Rights Act, and Executive Orders 11246 and 11375. (ii) Contractor further agrees to take affirmative action to ensure that no unlawful discrimination is committed in any manner including, but not limited to, the delivery of services under this Contract. (iii) Contractor will not discriminate against Potential Enrollees, Prospective Enrollees, or Enrollees on the basis of health status or need for health services. (iv) Contractor may not discriminate against any Provider who is acting within the scope of his/her licensure solely on the basis of that licensure or certification. (v) Contractor will provide each Provider or group of Providers whom it declines to include in its network written notice of the reason for its decision. (vi) Nothing in subsection (iv) or (v), above, may be construed to require Contractor to contract with Providers beyond the number necessary to meet the needs of its Enrollees; precludes Contractor from using different reimbursement amounts for different specialties or for different practitioners in the same specialty; or precludes Contractor from establishing measures that are designed to maintain quality of services and control costs and are consistent with its responsibilities to Enrollees.
- 9.1.24 Child Support:** Contractor shall ensure that it is in compliance with paying, or any other obligations it may have in enforcing, child support payments pursuant to a court or administrative order of this or any other State. Contractor will not be considered out of compliance with the requirements of this Section 9.1.24 if, upon request by the Department, Contractor provides:
- 9.1.24.1** Proof of payment of past-due amounts in full;
- 9.1.24.2** Proof that the alleged obligation of past-due amounts is being contested through appropriate court or administrative proceedings and Contractor provides proof of the pendency of such proceedings; or
- 9.1.24.3** Proof of entry into payment arrangements acceptable to the appropriate State agency.

- 9.1.25 **Notice Of Change In Circumstances:** In the event Contractor, Contractor's parent, or an Affiliate, becomes a party to any litigation, investigation or transaction that may reasonably be considered to have a material impact on Contractor's ability to perform under this Contract, Contractor will immediately notify the Department in writing.
- 9.1.26 **Performance Of Services And Duties:** Contractor shall perform all services and other duties as set forth in this Contract in accordance with, and subject to, applicable federal and State regulations and Administrative Rules and policies, including rules, regulations and policies that may be issued or promulgated from time to time during the term of this Contract. Contractor shall be provided copies of such upon Contractor's written request.
- 9.1.27 **Consultation:** Upon request, Contractor shall promptly furnish the Department with copies of all relevant correspondence and all documents prepared in connection with the services rendered under this Contract.
- 9.1.28 **Employee Handbook:** Contractor shall require that its employees and subcontractors who provide services under this Contract at a location controlled by the Department, or any other State agency, abide by applicable provisions of the controlling agency's Employee Handbook.
- 9.1.29 **Disputes Between Contractor And Other Parties:** Any dispute between Contractor and any Third Party, including any subcontractor, shall be solely between such Third Party and Contractor, and the Department shall be held harmless by Contractor. Contractor agrees to assume all risk of loss and to indemnify and hold the Department and their officers, agents, and employees harmless from and against any and all liabilities, demands, claims, suits, losses, damages, causes of action, fines or judgments, including costs, attorneys' and witnesses' fees, and expenses incident thereto, for Contractor's failure to pay any subcontractor, either timely or at all, regardless of the reason.
- 9.1.30 **Fraud And Abuse:** Contractor shall report in writing to the Department's Office of Inspector General (OIG) any suspected Fraud, Abuse or misconduct associated with any service or function provided for under this Contract by any parties directly or indirectly affiliated with this Contract, including but not limited to, Contractor's staff, Contractor's subcontractors, the Department's employees or the Department contractors. Contractor shall make this report within three (3) days after first suspecting Fraud, Abuse or misconduct. Contractor shall not conduct any investigation of the suspected Fraud, Abuse or misconduct without the express concurrence of the OIG; the foregoing notwithstanding, Contractor may conduct and continue investigations necessary to determine whether reporting is required under this Section 9.1.30. Contractor must report the results of such an investigation to OIG as described in the first sentence of this Section 9.1.30. Contractor shall cooperate with all investigations of suspected Fraud, Abuse or misconduct reported pursuant to this paragraph. Contractor shall require adherence with these requirements in any contracts it enters into with subcontractors. Nothing in this Section precludes Contractor or subcontractors from establishing measures to maintain quality of services and control costs that are consistent with their usual business practices, conducting themselves in accordance with their respective legal or contractual obligations or taking internal personnel-related actions.
- 9.1.31 **Gifts:** Contractor and Contractor's principals, employees and subcontractors are prohibited from giving gifts to Department employees, and from giving gifts to, or accepting gifts from, any Person who has a contemporaneous contract with the Department involving duties or obligations related to this Contract.
- 9.1.32 **Media Relations And Public Information:** Subject to any disclosure obligations of Contractor under applicable law, rule, or regulation, news releases pertaining to this Contract or the services or project to which it relates shall only be made with Prior Approval by, and in coordination with, the Department. Contractor shall not disseminate any publication, presentation, technical paper, or other information related to Contractor's duties and obligations under this Contract unless such dissemination has received Prior Approval from the Department.
- 9.1.33 **Excluded Individuals/Entities:** Contractor shall screen all current and prospective employees, contractors and subcontractors prior to engaging their services under this Contract and at least annually thereafter, by:
- 9.1.33.1 Requiring that current or prospective employees, contractors or sub-contractors to disclose whether they are Excluded Individuals/Entities; and
- 9.1.33.2 Reviewing the list of sanctioned Persons maintained by the OIG (available at <http://www.state.il.us/agency/oig>), and the Excluded Parties List System maintained by the U.S. General Services Administration (available at <http://epls.arnet.gov/>).
- 9.1.33.3 For purposes under this Section, "Excluded Individual/Entity" shall mean a Person which:
- 9.1.33.3.1 Under Section 1128 of the Social Security Act, is or has been terminated, barred, suspended or otherwise excluded from participation in, or as the result of a settlement agreement has voluntarily withdrawn from participation in, any program under federal law, including any program under Titles IV, XVIII, XIX, XX or XXI of the Social Security Act;

9.1.33.3.2 Has not been reinstated in the program after a period of exclusion, suspension, debarment, or ineligibility; or

9.1.33.3.3 Has been convicted of a criminal offense related to the provision of items or services to a federal, State or local government entity within the last ten (10) years.

9.1.33.4 Contractor shall terminate its relations with any employee, contractor or subcontractor immediately upon learning that such employee, contractor or subcontractor meets the definition of an Excluded Individual/Entity, and shall notify the OIG of the termination.

9.1.34 **Termination For Breach Of HIPAA Compliance Obligations:** Contractor shall comply with the terms of the HIPAA Compliance Obligations set forth in Attachment VI. Upon the Department learning of a material breach of the terms of the HIPAA Compliance Obligations set forth in Attachment VI, the Department will:

9.1.34.1 Provide Contractor with an opportunity to cure the breach or end the violation, and terminate this Contract if Contractor does not cure the breach or end the violation within the time specified by the Department; or

9.1.34.2 Immediately terminate this Contract if Contractor has breached a material term of the HIPAA Compliance Obligations and cure is not possible; or

9.1.34.3 Report the violation to the Secretary of DHHS, if neither termination nor cure by Contractor is feasible.

9.1.35 **Retention Of HIPAA Records:** Contractor shall maintain, for a minimum of six (6) years, documentation of the PHI disclosed by Contractor, and all requests from individuals for access to records or amendment of records, pursuant to Attachment VI, paragraphs C.6 and C.7, of this Contract, in accordance with 45 C.F.R. 164.530(j).

9.1.36 **Sale or Transfer:** Contractor shall provide the Department with the earliest possible advance notice of any sale or transfer of Contractor's business. The Department has the right to terminate this Contract upon notification of such sale or transfer.

9.1.37 **Coordination of Benefits for Enrollees.** Money that Contractor receives as a result of Third Party liability collection activities may be retained by Contractor to the extent, as permitted by law, Contractor has paid any claim or incurred any expense. Upon the Department's verification that an Enrollee has Third Party coverage for major medical benefits, the Department will disenroll such Enrollee from Contractor. Contractor shall be notified of the disenrollment on the 834 Daily File. Contractor shall report any and all Third Party liability collections it makes with Contractor's Encounter Data. Contractor shall report to the Department those Enrollees who Contractor discovers to have any Third Party health insurance coverage.

9.1.38 **Subrogation.** If an Enrollee is injured by an act or omission of a Third Party, Contractor shall have the right to pursue subrogation and recover reimbursement from the Third Party for all Covered Services that Contractor provided to the Enrollee in exchange for the Capitation paid hereunder.

9.1.39 **Disclosure of Ownership and Control.** Contractor shall file with the Department a disclosure statement that complies with the requirements of 42 CFR 455.104(a) and conforms to the definitions set forth in 42 CFR 455.101. The disclosure statement shall be filed before Contractor executes this Contract, and shall be updated at intervals between Contract renewals within thirty-five (35) days after the Department's written request. At the time this Contract is executed, Contractor shall disclose to the Department information on any transaction between Contractor and a party in interest described in Section 1318(b) of the Public Health Services Act. The information shall be updated as necessary, and shall include: (i) any sale, exchange or leasing of any property between Contractor and such a party; (ii) any furnishing for consideration of goods, services (including management services) or facilities between Contractor and such a party, but not including salaries paid to employees for services provided in the normal course of their employment; and (iii) any lending of money or other extension of credit between Contractor and such a party.

9.1.40 **Disclosure of Business Transactions.** At the written request of the Department, Contractor shall file a disclosure statement with the Department that complies with the requirements of 42 CFR 455.105(b) and conforms to the definitions set forth in 42 CFR 455.101.

## 9.2 Certifications

9.2.1 **General.** Contractor acknowledges and agrees that compliance with this Section 9.2 and each subsection thereof is a material requirement and condition of this Contract, including renewals. By executing this Contract, Contractor certifies compliance, as applicable, with this Section and is under a continuing obligation to remain in compliance and report any non-compliance. This Section applies to subcontractors used on this Contract. Contractor shall include these Standard Certifications in any subcontract used in the performance of the Contract using the Standard Subcontractor Certification form provided by the Department. If this Contract extends over multiple fiscal years, including the initial term and all renewals, Contractor and its subcontractors shall

confirm compliance with this Section in the manner and format determined by the Department by the date specified by the Department and in no event later than July 1 of each year that this Contract remains in effect. If the Parties determine that any certification in this Section is not applicable to this Contract, it may be stricken without affecting the remaining subsections.

**9.2.1.1 As part of each certification, Contractor acknowledges and agrees that if Contractor or its subcontractors provide false information, or fail to be or remain in compliance with the Standard Certification requirements, one (1) or more of the sanctions listed below will apply. Identifying a sanction or failing to identify a sanction in relation to any of the specific certifications does not waive imposition of other sanctions or preclude application of sanctions not specifically identified.**

**9.2.1.1.1** the Contract may be void by operation of law,

**9.2.1.1.2** either of the Department may void the Contract, and

**9.2.1.1.3** Contractor and its subcontractors may be subject to one or more of the following: suspension, debarment, denial of payment, civil fine, or criminal penalty.

**9.2.2** Contractor certifies that it and its employees will comply with applicable provisions of the U.S. Civil Rights Act, Section 504 of the Federal Rehabilitation Act, the Americans with Disabilities Act (42 U.S.C. § 12101 et seq.) and applicable rules in performance under this Contract.

**9.2.3** Contractor certifies that it is not in default on an educational loan (5 ILCS 385/3). This applies to individuals, sole proprietorships, partnerships and individuals as members of LLCs.

**9.2.4** Contractor (if an individual, sole proprietor, partner or an individual as member of a LLC) certifies that it has not received an (i) an early retirement incentive prior to 1993 under Section 14-108.3 or 16-133.3 of the Illinois Pension Code, 40 ILCS 5/14-108.3 and 40 ILCS 5/16-133.3, or (ii) an early retirement incentive on or after 2002 under Section 14-108.3 or 16-133.3 of the Illinois Pension Code, 40 ILCS 5/14-108.3 and 40 ILCS 5/16-133, (30 ILCS 105/15a).

**9.2.5** Contractor certifies that it is a properly formed and existing legal entity (30 ILCS 500/1.15.80, 20-43); and as applicable has obtained an assumed name certificate from the appropriate authority, or has registered to conduct business in Illinois and is in good standing with the Illinois Secretary of State.

**9.2.6** To the extent there was an incumbent contractor providing the services covered by this Contract and the employees of that contractor that provide those services are covered by a collective bargaining agreement, Contractor certifies (i) that it will offer to assume the collective bargaining obligations of the prior employer, including any existing collective bargaining agreement with the bargaining representative of any existing collective bargaining unit or units performing substantially similar work to the services covered by the Contract subject to its bid or offer; and (ii) that it shall offer employment to all employees currently employed in any existing bargaining unit performing substantially similar work that will be performed under this Contract (30 ILCS 500/25-80). This does not apply to heating, air conditioning, plumbing and electrical service contracts.

**9.2.7** Contractor certifies that it has not been convicted of bribing or attempting to bribe an officer or employee of the State or any other state, nor has Contractor made an admission of guilt of such conduct that is a matter of record (30 ILCS 500/50-5).

**9.2.8** If Contractor has been convicted of a felony, Contractor certifies at least five (5) years have passed after the date of completion of the sentence for such felony, unless no Person held responsible by a prosecutor's office for the facts upon which the conviction was based continues to have any involvement with the business (30 ILCS 500/50-10).

**9.2.9** If Contractor, or any officer, director, partner, or other managerial agent of Contractor, has been convicted of a felony under the Sarbanes-Oxley Act of 2002, or a Class 3 or Class 2 felony under the Illinois Securities Law of 1953, Contractor certifies that at least five (5) years have passed since the date of the conviction. Contractor further certifies that it is not barred from being awarded a contract and acknowledges that the State shall declare the Contract void if this certification is false (30 ILCS 500/50-10.5).

**9.2.10** Contractor certifies that it is not barred from having a contract with the State based on violating the prohibition on providing assistance to the State in identifying a need for a contract (except as part of a public request for information process) or by reviewing, drafting or preparing a solicitation or similar documents for the State (30 ILCS 500/50-10.5e).

**9.2.11** Contractor certifies that it and its Affiliates are not delinquent in the payment of any debt to the State (or if delinquent has entered into a deferred payment plan to pay the debt), and Contractor and its affiliates acknowledge the State may declare the Contract void if this certification is false (30 ILCS 500/50-11) or if Contractor or an Affiliate later becomes delinquent and has not entered into a deferred payment plan to pay off the debt (30 ILCS 500/50-60).

- 9.2.12 Contractor certifies that it and all Affiliates shall collect and remit Illinois Use Tax on all sales of tangible personal property into the State in accordance with provisions of the Illinois Use Tax Act (30 ILCS 500/50-12) and acknowledges that failure to comply can result in the Contract being declared void.
- 9.2.13 Contractor certifies that it has not been found by a court or the Pollution Control Board to have committed a willful or knowing violation of the Environmental Protection Act within the last five (5) years, and is therefore not barred from being awarded a contract (30 ILCS 500/50-14).
- 9.2.14 Contractor certifies that it has not paid any money or valuable thing to induce any Person to refrain from bidding on a State contract, nor has Contractor accepted any money or other valuable thing, or acted upon the promise of same, for not bidding on a State contract (30 ILCS 500/50-25).
- 9.2.15 Contractor certifies that it is not in violation of the "Revolving Door" section of the Illinois Procurement Code (30 ILCS 500/50-30).
- 9.2.16 Contractor certifies that it has not retained a Person to attempt to influence the outcome of a procurement decision for compensation contingent in whole or in part upon the decision or procurement (30 ILCS 500/50-38).
- 9.2.17 Contractor certifies that it will report to the Illinois Attorney General and the Chief Procurement Officer any suspected collusion or other anti-competitive practice among any bidders, offerors, contractors, proposers or employees of the State (30 ILCS 500/50-40, 50-45, 50-50).
- 9.2.18 In accordance with the Steel Products Procurement Act, Contractor certifies that steel products used or supplied in the performance of a contract for public works shall be manufactured or produced in the United States, unless the executive head of the procuring agency grants an exception (30 ILCS 565).
- 9.2.19 If Contractor employs twenty-five (25) or more employees and this Contract is worth more than \$5000, Contractor certifies that it will provide a drug free workplace pursuant to the Drug Free Workplace Act (30 ILCS 580).
- 9.2.20 Contractor certifies that neither Contractor nor any substantially owned Affiliate is participating or shall participate in an international boycott in violation of the U.S. Export Administration Act of 1979 or the applicable regulations of the U.S. Department of Commerce. This applies to contracts that exceed \$10,000 (30 ILCS 582).
- 9.2.21 Contractor certifies that it has not been convicted of the offense of bid rigging or bid rotating or any similar offense of any state or of the United States (720 ILCS 5/33E-3, E-4).
- 9.2.22 Contractor certifies that it complies with the Illinois Department of Human Rights Act and rules applicable to public contracts, including equal employment opportunity, refraining from unlawful discrimination, and having written sexual harassment policies (775 ILCS 5/2-105).
- 9.2.23 Contractor certifies that it does not pay dues to or reimburse or subsidize payments by its employees for any dues or fees to any "discriminatory club" (775 ILCS 25/2).
- 9.2.24 Contractor certifies that it complies with the State Prohibition of Goods from Forced Labor Act, and certifies that no foreign-made equipment, materials, or supplies furnished to the State under the Contract have been or will be produced in whole or in part by forced labor, or indentured labor under penal sanction (30 ILCS 583).
- 9.2.25 Contractor certifies that no foreign-made equipment, materials, or supplies furnished to the State under this Contract have been produced in whole or in part by the labor or any child under the age of twelve (12) (30 ILCS 584).
- 9.2.26 Contractor certifies that it is not in violation of Section 50-14.5 of the Illinois Procurement Code (30 ILCS 500/50-14.5) that states: "Owners of residential buildings who have committed a willful or knowing violation of the Lead Poisoning Prevention Act (410 ILCS 45) are prohibited from doing business with the State until the violation is mitigated".
- 9.2.27 Contractor warrants and certifies that it and, to the best of its knowledge, its subcontractors have and will comply with Executive Order No. 1 (2007). The Order generally prohibits contractors and subcontractors from hiring the then-serving Governor's family members to lobby procurement activities of the State, or any other unit of government in Illinois including local governments if that procurement may result in a contract valued at over \$25,000. This prohibition also applies to hiring for that same purpose any former State employee who had procurement authority at any time during the one-year period preceding the procurement lobbying activity.

- 9.2.28 Contractor certifies that information technology, including electronic information, software, systems and equipment, developed or provided under this Contract, will comply with the applicable requirements of the Illinois Information Technology Accessibility Act Standards as published at <http://www.dhs.state.il.us/ITAA/ITAAWebImplementationGuidelines.html> (30 ILCS 587).
- 9.2.29 **Non-Exclusion:**
- 9.2.29.1 Contractor certifies that it is not currently barred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any Federal or State department or agency, and is not currently barred or suspended from contracting with the State under Section 50-35(f), 50-35(g) or 50-65 of the Illinois Procurement Code, 30 ILCS 500/1-1 et seq.
- 9.2.29.2 If at any time during the term of this Contract, Contractor becomes barred, suspended, or excluded from participation in this transaction, Contractor shall, within thirty (30) days after becoming barred, suspended or excluded, provide to the Department a written description of each offense causing the exclusion, the date(s) of the offense, the action(s) causing the offense(s), any penalty assessed or sentence imposed, and the date any penalty was paid or sentence complete.
- 9.2.30 **Conflict Of Interest:** In addition to any other provision in this Contract governing conflicts of interest, Contractor certifies that neither Contractor, nor any party directly or indirectly affiliated with Contractor, including, but not limited to, Contractor's officers, directors, employees and subcontractors, and the officers, directors and employees of Contractor's subcontractors, shall have or acquire any Conflict of Interest in performance of this Contract.
- 9.2.30.1 For purposes of this Section 9.2.30, "Conflict of Interest" shall mean an interest of Contractor, or any entity described above, which may be direct or indirect, professional, personal, financial, or beneficial in nature that, in the sole discretion of the Department, compromises, appears to compromise, or gives the appearance of impropriety with regard to Contractor's duties and responsibilities under this Contract. This term shall include potential Conflicts of Interest. A Conflict of Interest may exist even if no unethical or improper act results from it or may arise where Contractor becomes a party to any litigation, investigation, or transaction that materially impacts Contractor's ability to perform under this Contract. Any situation where Contractor's role under the Contract competes with Contractor's professional or personal role may give rise to an appearance of impropriety. Any conduct that would lead a reasonable individual, knowing all the circumstances, to a conclusion that bias may exist or that improper conduct may occur, or that gives the appearance of the existence of bias or improper conduct, is a Conflict of Interest.
- 9.2.30.2 Contractor shall disclose in writing any Conflicts of Interest to the Department no later than seven (7) days after learning of the Conflict of Interest. The Department may initiate any inquiry as to the existence of a Conflict of Interest. Contractor shall cooperate with all inquiries initiated pursuant to this Section 9.2.30. Contractor shall have an opportunity to discuss the Conflict of Interest with the Department and suggest a remedy under this Section.
- 9.2.30.3 Notwithstanding any other provisions in this Contract, the Department shall, in its sole discretion, determine whether a Conflict of Interest exists or whether Contractor failed to make any required disclosure. This determination shall not be subject to appeal by Contractor. If the Department concludes that a Conflict of Interest exists, or that Contractor failed to disclose any Conflict of Interest, the Department may impose one or more remedies, as set forth below.
- 9.2.30.4 The appropriate remedy for a Conflict of Interest shall be determined in the sole discretion of the Department and shall not be subject to appeal by Contractor. Available remedies shall include, but not be limited to, the elimination of the Conflict of Interest or the non-renewal or termination of the Contract.
- 9.2.31 **Clean Air Act And Clean Water Act:** Contractor certifies that it is in compliance with all applicable standards, orders or regulations issued pursuant to the federal Clean Air Act (42 U.S.C. 7401 et seq.) and the federal Water Pollution Control Act (33 U.S.C. 1251 et seq.). Violations shall be reported to the United States Department of Health and Human Services and the appropriate Regional Office of the United States Environmental Protection Agency.
- 9.2.32 **Lobbying:**
- 9.2.32.1 Contractor certifies that, to the best of its knowledge and belief, no federally appropriated funds have been paid or will be paid by or on behalf of Contractor, to any Person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any federal contract, the making of any federal loan or grant, or the entering into of any cooperative agreement, or the extension, continuation, renewal, amendment, or modification of any federal contract, grant, loan or cooperative agreement.
- 9.2.32.2 If any funds other than federally appropriated funds have been paid or will be paid to any Person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of

Congress, or an employee of a Member of Congress in connection with this federal contract, grant, loan or cooperative agreement, Contractor shall complete and submit Standard Form LLL, "Disclosure Forms to Report Lobbying," in accordance with its instructions. Such Form is to be obtained at Contractor's request from the Department's Bureau of Fiscal Operations.

**9.2.32.3** Contractor shall require that the language of this certification be included in the award document for subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

**9.2.32.4** This certification is a material representation of fact upon which reliance was placed when this Contract was executed. Submission of this certification is a prerequisite for making or entering into the transaction imposed by Section 1352, Title 31, U.S. Code. Any Person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

**9.2.33** Contractor certifies that it has accurately completed the certification relating to Public Act 95-971 (political contributions).

IN WITNESS WHEREOF, the Department and Contractor hereby execute and deliver this Contract effective as of the Effective Date.

**STATE OF ILLINOIS**

Department of Healthcare and Family Services

By: \_\_\_\_\_  
Julie Hamos, Director

Date: \_\_\_\_\_

Address:

201 South Grand Avenue East

Springfield, IL 62763-0002

Phone: 217-782-1200

Fax: 217-524-7979

E-mail: [HFS.Director@illinois.gov](mailto:HFS.Director@illinois.gov)



**STATE OF ILLINOIS DRUG-FREE WORKPLACE CERTIFICATION**

Contractor certifies that it will not engage in the unlawful manufacture, distribution, dispensation, possession, or use of a controlled substance in the performance of the Agreement.

This business or corporation has twenty-five (25) or more employees, and Contractor certifies and agrees that it will provide a drug free workplace by:

- A) Publishing a statement:
  - 1) Notifying employees that the unlawful manufacture, distribution, dispensation, possession or use of a controlled substance, including cannabis, is prohibited in the grantee's or contractor's workplace.
  - 2) Specifying the actions that will be taken against employees for violations of such prohibition.
  - 3) Notifying the employees that, as a condition of employment on such contract, the employee will:
    - a) abide by the terms of the statement; and
    - b) notify the employer of any criminal drug statute conviction for a violation occurring in the workplace no later than five (5) days after such conviction.
- B) Establishing a drug free awareness program to inform employees about:
  - 1) the dangers of drug abuse in the workplace;
  - 2) Contractor's policy of maintaining a drug free workplace;
  - 3) any available drug counseling, rehabilitation, and employee assistance programs; and
  - 4) the penalties that may be imposed upon an employee for drug violations.
- C) Providing a copy of the statement required by subparagraph (a) to each employee engaged in the performance of the contract or grant and to post the statement in a prominent place in the workplace.
- D) Notifying the contracting or granting agency within ten (10) days after receiving notice under part (B) or paragraph (3) of subsection (a) above from an employee or otherwise receiving actual notice of such conviction.
- E) Imposing a sanction on, or requiring the satisfactory participation in a drug abuse assistance or rehabilitation program by, any employee who is so convicted, as required by section 5 of the Drug Free Workplace Act, 1992 Illinois Compiled Statute, 30 ILCS 580/5.
- F) Assisting employees in selecting a course of action in the event drug counseling, treatment, and rehabilitation is required and indicating that a trained referral team is in place.
- G) Making a good faith effort to continue to maintain a drug free workplace through implementation of the Drug Free Workplace Act, 1992 Illinois Compiled Statute, 30 ILCS 580/1 *et seq.*

THE UNDERSIGNED AFFIRMS, UNDER PENALTIES OF PERJURY, THAT HE OR SHE IS AUTHORIZED TO EXECUTE THIS CERTIFICATION ON BEHALF OF \_\_\_\_\_.

\_\_\_\_\_  
Signature of Authorized Representative

\_\_\_\_\_  
Contract ID Number

\_\_\_\_\_  
Printed Name and Title

\_\_\_\_\_  
Date

Attachment \_\_\_\_

BEP Utilization Plan

[To Be Completed]

Attachment \_\_\_\_

**Public Act 95-971**

Contractor certifies that it has read, understands, and is in compliance with the registration requirements of the Elections Code (10 ILCS 5/9-35) and the restrictions on making political contributions and related requirements of the Illinois Procurement Code (30 ILCS 500/20-160 and 50-37). Contractor will not make a political contribution that will violate these requirements. These requirements are effective for the duration of the term of office of the incumbent Governor or for a period of two (2) years after the end of the Contract term, whichever is longer.

In accordance with Section 20-160 of the Illinois Procurement Code, Contractor certifies as applicable:

- ☐ Contractor is not required to register as a business entity with the State Board of Elections,  
or
- ☐ Contractor has registered **and has attached a copy** of the official certificate of registration as issued by the State Board of Elections. As a registered business entity, Contractor acknowledges a continuing duty to update the registration as required by the Act.

**Quality Assurance (QA)**

(This Quality Assurance attachment is subject to change as a result of the negotiation of the memorandum of understanding between the Department and CMS.)

1. Contractor shall establish procedures such that Contractor shall be able to demonstrate that it meets the requirements of the HMO Federal qualification regulations (42 C.F.R. 417.106), the Medicare HMO/CMP regulations (42 C.F.R. 417.418(c)), and the regulations promulgated pursuant to the Balanced Budget Act of 1997 (42 C.F.R. 438.200 et seq.). These regulations require that Contractor have an ongoing fully implemented Quality Assurance Program for health services that:
  - a. incorporates widely accepted practice guidelines that meet the criteria referenced above, and are distributed to Affiliated Providers, as appropriate, and to Enrollees and Potential Enrollees, upon request, and:
    - i. are based on valid and reliable clinical evidence;
    - ii. consider the needs of Enrollees;
    - iii. are adopted in consultation with Affiliated Providers; and
    - iv. are reviewed and updated periodically as appropriate.
  - b. monitors the health care services Contractor provides, including assessing the appropriateness and quality of care;
  - c. stresses health outcomes and monitors Enrollee risks status and improvement in health outcomes;
  - d. provides a comprehensive program of care coordination, Care Management, and Disease Management, with needed outreach to assure appropriate care utilization and community referrals;
  - e. provides review by Physicians and other health professionals of the process followed in the provision of health services;
  - f. includes fraud control provisions;
  - g. establishes and monitors access standards;
  - h. uses systematic data collection of performance and Enrollee results, provides interpretation of these data to its Affiliated Providers- (including, without limitation, Enrollee-specific and aggregate data provided by the Department, such as HEDIS® and State defined measures), and institutes needed changes;
  - i. includes written procedures for taking appropriate remedial action and developing corrective action and quality improvement whenever, as determined under the Quality Assurance Program, inappropriate or substandard services have been furnished or Covered Services that should have been furnished have not been provided;
  - j. describes its implementation process for reducing unnecessary emergency room utilization and inpatient services, including (thirty)30-day readmissions;
  - k. describes its process for obtaining clinical results, findings, including emergency room and inpatient care, pharmacy information, lab results, feedback from other care providers, etc., to provide such data and information to the PCP or specialist, or others, as determined appropriate, on a real-time basis;
  - l. describes its process to assure follow up services within (seven) 7 days from inpatient care for behavioral health, with a behavioral health provider, or within (fourteen)14 day follow up for inpatient medical care, with a PCP or specialist, or follow up within (fourteen)14 days following an emergency room visit;
  - m. details its processes for establishing Medical Homes and the coordination between the PCP and behavioral health provider, specialists and PCP, or specialists and behavioral health providers;
  - n. details its processes for determining and facilitating Enrollees needing nursing home, supportive living facility (SLF) or ICF/DD level of care, or to live in the community with HCBS supports;
  - o. describes its processes for addressing Abuse and Neglect and unusual incidents in the community setting;

- p. details its compensation structure, incentives, pay-for-performance programs, value purchasing strategies, and other mechanisms utilized to promote the goals of Medical Homes and accountable, integrated care;
  - q. describes its health education procedures and materials for Enrollees; processes for training, monitoring, and holding providers accountable for health education; and oversight of Provider requirements to coordinate care and provide health education topics (e.g., obesity, heart smart activities, mental health and substance abuse resources) and outreach documents (e.g., about chronic conditions) using evidence based guidelines and best practice strategies; and
  - r. provides for systematic activities to monitor and evaluate the dental services rendered.
2. Contractor shall provide to the Department a written description of its Quality Assurance Plan (QAP) for the provision of clinical services (e.g., medical, medically related services, care coordination, Care Management, Disease Management, and behavioral health services). This written description must meet federal and State requirements:
- a. Goals and objectives — The written description shall contain a detailed set of QA objectives that are developed annually and include a workplan and timetable for implementation and accomplishment.
  - b. Scope — The scope of the QAP shall be comprehensive, addressing both the quality of clinical care and the quality of non-clinical aspects of service, such as and including: availability, accessibility, coordination, and continuity of care.
  - c. Methodology — The QAP methodology shall provide for review of the entire range of care provided, by assuring that all demographic groups, care settings, (e.g., inpatient, ambulatory, and home care), and types of services (e.g., preventive, primary, specialty care, behavioral health, dental and ancillary services) are included in the scope of the review. Documentation of the monitoring and evaluation plan shall be provided to the Department.
  - d. Activities — The written description shall specify quality of care studies and other activities to be undertaken over a prescribed period of time, and methodologies and organizational arrangements to be used to accomplish them. Individuals responsible for the studies and other activities shall be clearly identified in the written workplan and shall be appropriately skilled or trained to undertake such tasks. The written description shall provide for continuous performance of the activities, including tracking of issues over time.
  - e. Provider review — The written description shall document how Physicians and other health professionals will be involved in reviewing quality of care and the provision of health services and how feedback to health professionals and Contractor staff regarding performance and Enrollee results will be provided.
  - f. Focus on health outcomes — The QAP methodology shall address health outcomes; a complete description of the methodology shall be fully documented and provided to Department.
  - g. Systematic process of quality assessment and improvement — The QAP shall objectively and systematically monitor and evaluate the quality, appropriateness of, and timely access to, care and service to Enrollees, and pursue opportunities for improvement on an ongoing basis. Documentation of the monitoring activities and evaluation plan shall be provided to the Department.
  - h. Enrollee and advocate input --- The QAP shall detail its operational and management plan for including Enrollee and advocate input into its QAP processes.
3. Contractor shall provide the Department with the QAP written guidelines which delineate the QA process, specifying:
- a. Clinical areas to be monitored:
    - i. The monitoring and evaluation of clinical care shall reflect the population served by Contractor in terms of age groups, disease categories, and special risk status, and shall include quality improvement initiatives, as determined appropriate by Contractor or as required by the Department.
    - ii. The QAP shall, at a minimum, monitor and evaluate care and services in certain priority clinical areas of interest specified by the Department, based on the needs of Enrollees.
    - iii. At its discretion or as required by the Department, Contractor's QAP must monitor and evaluate other important aspects of care and service, including coordination with community resources.

- iv. At a minimum, the following areas shall be monitored:
  - a) For all populations:
    - 1. Emergency room utilization.
    - 2. Inpatient hospitalization.
    - 3. Thirty (30)-day readmission rate.
    - 4. Assistance to Enrollees accessing services outside the Covered Services, such as housing, social service agencies, senior center.
    - 5. Health education provided.
    - 6. Coordination of primary and specialty care.
    - 7. Coordination of care, Care Management, Disease Management, and other activities.
    - 8. Individualized Care Plan.
    - 9. Utilization of dental benefits.
    - 10. Preventive health care for adults (e.g., annual health history and physical exam; mammography; papanicolaou test, immunizations).
    - 11. PCP or behavioral health follow-up after emergency room or inpatient hospitalization.
  - c) For Chronic Health Conditions (such conditions specifically including, without limitation, diabetes, asthma, CHF, CAD, COPD, Behavioral Health, including those with one or more co-morbidities). Appropriate treatment, follow-up care, and coordination of care, Care Management and Disease Management for all Enrollees.
    - 1. Identification of Enrollees with special health care needs and processes in place to assure adequate, ongoing risk assessments, treatment plans developed with the Enrollee's participation in consultation with any specialists caring for the Enrollee, to the extent possible, the appropriateness and quality of care, and if approval is required, such approval occurs in a timely manner.
    - 2. Care coordination, Care Management, Disease Management, and Chronic Health Conditions action plan, as appropriate.
  - d) For behavioral health:
    - 1. Behavioral health network adequate to serve the behavioral health care needs of Enrollees, including mental health and substance abuse services sufficient to provide care within the community in which the Enrollee resides.

2. Assistance sufficient to access behavioral health services, including transportation and escort services.
3. Enrollee access to timely behavioral health services.
4. An Individualized Care Plan or treatment and provision of appropriate level of care;
5. Coordination of care between Providers of medical and behavioral health services to assure follow-up and continuity of care
6. Involvement of the PCP in aftercare.
7. Enrollee satisfaction with access to and quality of behavioral health services
8. Mental health outpatient and inpatient utilization, and follow up.
9. Chemical dependency outpatient and inpatient utilization, and follow up.

e) For pregnant women:

1. Timeliness and frequency of prenatal visits.
2. Provision of ACOG recommended prenatal screening tests.
3. Birth outcomes.
4. Referral to the Perinatal Centers, as appropriate.
5. Length of hospitalization for the mother.
6. Length of newborn hospital stay for the infant.
7. Assist the Enrollee in finding an appropriate PCP for the infant.

f) For Enrollees in Nursing Facilities and Enrollees receiving HCBS Waiver services:

1. Maintenance in, or movement to, community living.
2. Number of hospitalizations and length of hospital stay.
3. Falls resulting in hospitalizations.
4. Behavior resulting in injury to self or others.
5. Enrollee non-compliance of services.
6. Medical errors resulting in hospitalizations.
7. Occurrences of pressure ulcers, weight loss, and infections.

b. Use of Quality Indicators — Quality indicators are measurable variables relating to a specified clinical area, which are reviewed over a period of time to monitor the process of outcomes of care delivered in that clinical area:

- i. Contractor shall identify and use quality indicators that are objective, measurable, and based on current knowledge and clinical experience.

- ii. Contractor shall document that methods and frequency of data collected are appropriate and sufficient to detect the need for a program change.
  - iii. For the priority clinical areas specified by the Department, Contractor shall monitor and evaluate quality of care through studies which address, but are not limited to, the quality indicators also specified by the Department.
- c. Analysis of clinical care and related services, including behavioral health, Long-Term Care and HCBS Waiver services: Appropriate clinicians shall monitor and evaluate quality through review of individual cases where there are questions about care, and through studies analyzing patterns of clinical care and related service.
  - ii. Multi-disciplinary teams shall be used, where indicated, to analyze and address systems issues.
  - iii. Clinical and related service areas requiring improvement shall be identified and documented, and a corrective action plan shall be developed and monitored.
- d. Conduct Performance Improvement Projects (PIPs)/Quality Improvement Projects (QIPs) ---- PIPs/QIPs (42 C.F.R. 438.240 (1) (d)), shall be designed to achieve, through ongoing measurements and intervention, significant improvement of the quality of care rendered, sustained over time, and resulting in a favorable effect on health outcome and Enrollee satisfaction. Performance measurements and interventions shall be submitted to the Department annually as part of the QA/UR/PR Annual Report and at other times throughout the year upon request by the Department. If Contractor implements a PIP/QIP that spans more than one (1) year, Contractor shall report annually the status of such project and the results thus far. The PIPs/QIPs topics and methodology shall be submitted to the Department for Prior Approval.
- e. Implementation of Remedial or Corrective Actions — The QAP shall include written procedures for taking appropriate remedial action whenever, as determined under the QAP, inappropriate or substandard services are furnished, including in the area of behavioral health, or services that should have been furnished were not. Quality Assurance actions that result in remedial or corrective actions shall be forwarded by Contractor to the Department on a timely basis. Written remedial or corrective action procedures shall include:
  - i. specification of the types of problems requiring remedial or corrective action;
  - ii. specification of the person(s) or entity responsible for making the final determinations regarding quality problems;
  - iii. specific actions to be taken;
  - iv. a provision for feedback to appropriate health professionals, providers and staff;
  - v. the schedule and accountability for implementing corrective actions;
  - vi. the approach to modifying the corrective action if improvements do not occur; and
  - vii. procedures for notifying a PCP group that a particular Physician is no longer eligible to provide services to Enrollees.
- f. Assessment of Effectiveness of Corrective Actions — Contractor shall monitor and evaluate corrective actions taken to assure that appropriate changes have been made. Contractor shall assure follow-up on identified issues to ensure that actions for improvement have been effective and provide documentation of the same.
- g. Evaluation of Continuity and Effectiveness of the QAP:
  - i. At least annually, Contractor shall conduct a regular examination of the scope and content of the QAP (42 C.F.R. 438.240 (1)(i)(ii)) to ensure that it covers all types of services, including behavioral health services, in all settings, through an Executive Summary and Overview of the Quality Improvement Program, including Quality Assurance (QA), Utilization Review (UR) and Peer Review (PR).
  - ii. At the end of each year (as specified in Attachment XIII), a written report on the QAP shall be prepared by Contractor and submitted to the Department as a component part of the QA/UR/PR Annual Report. The report shall include an Executive Summary that provides a high-level discussion/analysis of each area of the Annual Report of findings, accomplishments, barriers and continued need for quality improvement. The report shall, at a minimum, provide detailed analysis of each of the following:
    - a)



- b) QA/UR/PR Plan with overview of goal areas;
- c) Major Initiatives to comply with the State Quality Strategy,
- d) Quality Improvement and work plan monitoring;
- e) Provider Network Access and Availability and Service Improvements, including access and utilization of dental services;
- f) Cultural Competency;
- g) Fraud and Abuse Monitoring;
- h) Population Profile;
- i) Improvements in Care Management and Clinical Services/Programs;
- j) Findings on Initiatives and Quality Reviews;
- k) Effectiveness of Quality Program Structure;
- l) Comprehensive Quality Improvement Work Plans;
- m) Chronic Conditions;
- n) Behavioral Health (includes mental health and substance abuse services);
- o) Discussion of Health Education Program;
- p) Member Satisfaction;
- q) Enrollee Safety;
- r) Fraud, Waste and Abuse and Privacy and Security; and
- s) Delegation.

4. Contractor shall have a QAP Committee. Contractor shall have a governing body to which the QA Committee shall be held accountable ("Governing Body"). The Governing Body of Contractor shall be the Board of Directors or, where the Board's participation with quality improvement issues is not direct, a designated committee of the senior management of Contractor. This Board of Directors or Governing Body shall be ultimately responsible for the execution of the QAP. However, changes to the medical Quality Assurance Program shall be made by the chair of the QA Committee. Responsibilities of the Governing Body include:
  - a. Oversight of QAP — Contractor shall document that the Governing Body has approved the overall Quality Assurance Program and an annual QAP.
  - b. Oversight Entity — The Governing Body shall document that it has formally designated an accountable entity or entities within the organization to provide oversight of QA, or has formally decided to provide such oversight as a committee of the whole.
  - c. QAP Progress Reports — The Governing Body shall routinely receive written reports from the QAP Committee describing actions taken, progress in meeting QA objectives, and improvements made.
  - d. Annual QAP Review — The Governing Body shall formally review on a periodic basis (but no less frequently than annually) a written report on the QAP which includes: studies undertaken, results, subsequent actions, and aggregate data on utilization and quantity of services rendered, to assess the QAP's continuity, effectiveness and current acceptability. Behavioral health shall be included in the Annual QAP Review.
  - e. Program Modification — Upon receipt of regular written reports from the QAP Committee delineating actions taken and improvements made, the Governing Body shall take action when appropriate and direct that the operational QAP be modified on an ongoing basis to accommodate review findings and issues of concern within Contractor. This activity shall be documented in the minutes of the meetings of the Governing Board in sufficient detail to demonstrate that it has directed and followed up on necessary actions pertaining to Quality Assurance.
5. The QAP shall delineate an identifiable structure responsible for performing QA functions within Contractor. Contractor shall describe its committees' structure in its QAP and shall be submitted to the Department for approval. This committee or committees and other structure(s) shall have:
  - a. Regular Meetings — The QAP Committee shall meet on a regular basis with specified frequency to oversee QAP activities. This frequency shall be sufficient to demonstrate that the structure/committee is following-up on all findings and required actions, but in no case shall such meetings be held less frequently than quarterly. A copy of the meeting summaries/minutes shall be submitted to the Department no later than thirty (30) days after the close of the quarterly reporting period.
  - b. Established Parameters for Operating — The role, structure and function of the QAP Committee shall be specified.
  - c. Documentation — There shall be records kept documenting the QAP Committee's activities, findings, recommendations and actions.

- d. Accountability — The QAP Committee shall be accountable to the Governing Body and report to it on a scheduled basis on activities, findings, recommendations and actions.
  - e. Membership – there shall be active participation in the QAP Committee as set forth in Section 1.18.109 of the RFP.
  - f. Enrollee Advisory Committee and Community Stakeholder Committee – There shall be an Enrollee Advisory Committee and Community Stakeholder Committee that will provide feedback to the QAP Committee on the Plan's performance from Enrollee and community perspectives. These committees shall recommend program enhancements based on Enrollee and community needs; review Provider and Enrollee satisfaction survey results; evaluate performance levels and telephone response timelines; evaluate access and provider feedback on issues requested by the QAP Committee; identify key program issues; such as disparities, that may impact community groups; and offer guidance on reviewing Enrollee materials and effective approaches for reaching enrollees. The Enrollee Advisory Committee will be comprised of randomly selected Enrollees, family members and other caregivers. The Community Stakeholder Committee will be comprised of local representation from key community stakeholders such as churches, advocacy groups, and other community-based organizations. Contractor will educate Enrollees and community stakeholders about these committees through materials such as handbooks, newsletters, websites and communication events.
6. There shall be a designated Quality Management Coordinator, as set forth in Section 3.3.1.3 of the RFP. Contractor's Medical Director shall have substantial involvement in QA activities and shall be responsible for the required reports.
- a. Adequate Resources — The QAP shall have sufficient material resources, and staff with the necessary education, experience, or training, to effectively carry out its specified activities.
  - b. Provider Participation in the QAP
    - i. Affiliated Physicians and other Affiliated Providers shall be kept informed about the written QAP.
    - ii. Contractor shall include in all agreements with Affiliated Provider and Subcontractors a requirement securing cooperation with the QAP.
    - iii. Contracts shall specify that Affiliated Providers and Subcontractors will allow access to the medical records of its Enrollees to Contractor.
7. Contractor shall remain accountable for all QAP functions, even if certain functions are delegated to other entities. If Contractor delegates any QA activities to subcontractors:
- a. There shall be a written description of the following: the delegated activities; the subcontractor's accountability for these activities; and the frequency of reporting to Contractor.
  - b. Contractor shall have written procedures for monitoring and evaluating the implementation of the delegated functions and for verifying the actual quality of care being provided.
  - c. Contractor shall be held accountable for subcontractor's performance and must assure that all activities conform to this Contract's requirements.
  - d. There shall be evidence of continuous and ongoing evaluation and oversight of delegated activities, including approval of quality improvement plans and regular specified reports, as well as a formal review of such activities. Oversight of delegated activities must include no less than an annual audit, analyses of required reports and Encounter Data, a review of Enrollee complaints, Grievances, Provider complaints and appeals, and quality of care concerns raised through Encounter Data, monitoring activities, or other venues. Outcomes of the annual audit shall be submitted to the Department as part of the QA/UR/PR Annual Report.
  - e. Contractor shall be responsible for, directly or through monitoring of delegated activities, credentialing and re-credentialing, and shall review such credentialing files performed by the delegated entity no less than annually, as part of the annual audit.
  - f. If Contractor or subcontractor identifies areas requiring improvement, Contractor and subcontractor, as appropriate, shall take corrective action and implement a quality improvement initiative. If one or more deficiencies are identified, the subcontractor must develop and implement a corrective action plan, with protections put in place by Contractor to prevent such deficiencies from reoccurring. Evidence of ongoing monitoring of the delegated activities sufficient to assure corrective action shall be provided to the Department through quarterly or annual reporting.
8. The QAP shall contain provisions to assure that Affiliated Physicians and other Affiliated Providers, are qualified to perform their services and are credentialed by Contractor. Recredentialing shall occur at least once every three (3) years. Contractor's written policies shall include procedures for selection and retention of Physicians and other Providers.

9. All services provided by or arranged to be provided by Contractor shall be in accordance with prevailing professional community standards. All clinical practice guidelines shall be based on established evidence-based best practice standards of care, promulgated by leading academic and national clinical organizations, and shall be adopted by Contractor's QAP Committee with sources referenced and guidelines documented in Contractor's QAP. Contractor's QAP shall be updated no less than annually and when new significant findings or major advancements in evidence-based best practices and standards of care are established. Contractor shall provide ongoing education to Affiliated Providers on required clinical guideline application and provide ongoing monitoring to assure that its Affiliated Providers are utilizing them. At a minimum, clinical practice guidelines and best practice standards of care shall be adopted by Contractor for the following conditions and services:
- a. Asthma;
  - b. Congestive Heart Failure (CHF);
  - c. Coronary Artery Disease (CAD);
  - d. Chronic Obstructive Pulmonary Disease (COPD);
  - e. Diabetes;
  - f. Adult Preventive Care;
  - g. Smoking Cessation;
  - h. Behavioral Health (mental health and substance abuse) screening, assessment, and treatment, including medication management and PCP follow-up;
  - i. Psychotropic medication management;
  - j. Clinical Pharmacy Medication Review;
  - k. Coordination of community support and services for Enrollees in HCBS Waivers;
  - l. Dental services;
  - m. Community reintegration and support; and
  - n. Long-term Care (LTC) residential coordination of services.
10. Contractor shall put a basic system in place which promotes continuity of Care Management. Contractor shall provide documentation on:
- a. Monitoring the quality of care across all services and all treatment modalities.
  - b. Studies, reports, protocols, standards, worksheets, minutes, or such other documentation as may be appropriate, concerning its QA activities and corrective actions and make such documentation available to the Department upon request.
11. The findings, conclusions, recommendations, actions taken, and results of the actions taken as a result of QA activity, shall be documented and reported to appropriate individuals within the organization and through the established QA channels. Contractor shall document coordination of QA activities and other management activities.
- a. QA information shall be used in recredentialing, recontracting and annual performance evaluations.
  - b. QA activities shall be coordinated with other performance monitoring activities, including utilization management, risk management, and resolution and monitoring of Enrollee Complaints and Grievances.
  - c. There shall be a linkage between QA and the other management functions of Contractor such as:
    - i. network changes.
    - ii. benefits redesign.
    - iii. medical management systems (e.g., pre-certification).
    - v. practice feedback to Physicians.
    - vi. other services, such as dental, vision, etc.
    - vii. member services.
    - viii. Care Management, disease management.

ix. Enrollee education.

- d. In the aggregate, without reference to individual Physicians or Enrollee identifying information, all Quality Assurance findings, conclusions, recommendations, actions taken, results or other documentation relative to QA shall be reported to Department on a quarterly basis or as requested by the Department. The Department shall be notified of any Provider or Subcontractor who ceases to be an Affiliated Provider or Subcontractor for a quality of care issue.
12. Contractor shall, at the direction of the Department, cooperate with the external, independent quality review process conducted by the EQRO. Contractor shall address the findings of the external review through its Quality Assurance Program by developing and implementing performance improvement goals, objectives and activities, which shall be documented in the next quarterly report submitted by Contractor following the EQRO's findings.
13. Contractor's Quality Assurance Program shall systematically and routinely collect data to be reviewed for quality oversight, monitoring of performance, and Enrollee care outcomes. The Quality Assurance Program shall include provision for the interpretation and dissemination of such data to Contractor's Affiliated Providers. The Quality Assurance Program shall be designed to perform quantitative and qualitative analytical activities to assess opportunities to improve efficiency, effectiveness, appropriate health care utilization, and Enrollee health status, per 42 C.F.R. 438.242 (2). Contractor shall ensure that data received from Providers and included in reports are accurate and complete by (1) verifying the accuracy and timeliness of reported data; (2) screening the data for completeness, logic, and consistency; and (3) collecting service information in standardized formats to the extent feasible and appropriate. Contractor shall have in effect a program consistent with the utilization control requirements of 42 C.F.R. Part 456. This program will include, when required by the regulations, written plans of care and certifications of need of care.
14. Contractor shall perform and report the quality and utilization measures identified in Table 1 – Performance Measures using the HEDIS® and HEDIS®-like Performance Measure Specifications methodology, as provided by the Department. Contractor shall not modify the reporting specifications methodology prescribed by the Department without first obtaining the Department's written approval. Contractor must obtain an independent validation of its HEDIS® and HEDIS®-like findings by a recognized entity, e.g., NCQA-certified auditor, as approved by the Department. The Department's External Quality Review Organization will perform an independent validation of at least a sample of Contractor's findings. **(Note: the above reference to Table 1 can be found at Attachment D of this RFP.)**
15. Contractor shall monitor other Performance Measures not specifically stated in Attachment XI that are required by Federal CMS. The Department will use its best efforts to notify Contractor of new Federal CMS requirements.

## Attachment

### Utilization Review/Peer Review

(Utilization Review/Peer Review attachment is subject to change as a result of the negotiation of the memorandum of understanding between the Department and CMS.)

1. Contractor shall have a utilization review and peer review committee(s) whose purpose will be to review data gathered and the appropriateness and quality of care. The committee(s) shall review and make recommendations for changes when problem areas are identified and report suspected Fraud and Abuse in the HFS Medical Program to the Department's Office of Inspector General. The committees shall keep minutes of all meetings, the results of each review and any appropriate action taken. A copy of the minutes shall be submitted to the Department no later than thirty (30) days after the close of the quarterly reporting period. At a minimum, these programs must meet all applicable federal and State requirements for utilization review. Contractor and the Department may further define these programs.
2. Contractor shall implement a Utilization Review Plan, including medical and dental peer review as required. Contractor shall provide the Department with documentation of its utilization review process. The process shall include:
  - a. Written program description — Contractor shall have a written Utilization Management Program description which includes, at a minimum, procedures to evaluate medical necessity criteria used and the process used to review and approve the provision of medical services.
  - b. Scope — The program shall have mechanisms to detect under-utilization as well as over-utilization.
  - c. Preauthorization and concurrent review requirements — For organizations with preauthorization and concurrent review programs:
    - i. Have in effect mechanisms to ensure consistent application of review criteria for authorization decisions;
    - ii. Utilize practice guidelines that have been adopted, pursuant to Attachment\_\_ (Quality Assurance Q/A).
    - iii. Review decisions shall be supervised by qualified medical professionals and any decision to deny a Service Authorization Request or to authorize a service in an amount, duration or scope that is less than requested must be made by a health care professional who has appropriate clinical expertise in treating the Enrollee's condition or disease;
    - iv. Efforts shall be made to obtain all necessary information, including pertinent clinical information, and consultation with the treating Physician, as appropriate;
    - v. The reasons for decisions shall be clearly documented and available to the Enrollee and the requesting Provider, provided, however, that any decision to deny a service request or to authorize a service in an amount, duration or scope that is less than requested shall be furnished in writing to the Enrollee;
    - vi. There shall be written well-publicized and readily available Appeal mechanisms for both Providers and Enrollees;
    - vii. Decisions and appeals shall be made in a timely manner as required by the circumstances and shall be made in accordance with the timeframes specified in this Contract for standard and expedited authorizations;
    - viii. There shall be mechanisms to evaluate the effects of the program using data on Enrollee satisfaction, Provider satisfaction or other appropriate measures;
    - ix. If Contractor delegates responsibility for utilization management, it shall have mechanisms to ensure that these standards are met by the subcontractor.
3. Contractor further agrees to review the utilization review procedures, at regular intervals, but no less frequently than annually, for the purpose of amending same, as necessary in order to improve said procedures. All amendments must receive Prior Approval. Contractor further agrees to supply the Department and its designee with the utilization information and data, and reports prescribed in its approved utilization review system or the status of such system. This information shall be furnished in accordance to Attachment XIII of this Contract or upon request by the Department.

4. Contractor shall establish and maintain a peer review program, subject to Prior Approval, to review the quality of care being offered by Contractor, employees and subcontractors. This program shall provide, at a minimum, the following:
  - a. A peer review committee comprised of Physicians and dentists, formed to organize and proceed with the required reviews for both the health professionals of Contractor's staff and any Affiliated Providers which include:
    - i. A regular schedule for review;
    - ii. A system to evaluate the process and methods by which care is given; and
    - iii. A medical record review process.
  - b. Contractor shall maintain records of the actions taken by the peer review committee with respect to Providers and those records shall be available to the Department upon request.
  - c. A system of internal medical review, including behavioral health services, waiver and long term care services, medical evaluation studies, peer review, a system for evaluating the processes and outcomes of care, health education, systems for correcting deficiencies, and utilization review.
  - d. At least two (2) medical evaluation studies must be completed annually that analyze pressing problems identified by Contractor, the results of such studies and appropriate action taken. One of the studies may address an administrative problem noted by Contractor and one may address a clinical problem or diagnostic category. One brief follow-up study shall take place for each medical evaluation study in order to assess the actual effect of any action taken. Contractor's medical evaluation studies' topic and design must receive Prior Approval.
  - e. Contractor shall participate in the annual collaborative PIPS/QIPs, as mutually agreed upon and directed by the Department.
5. Contractor further agrees to review the peer review procedures, at regular intervals, but no less frequently than annually, for the purpose of amending same in order to improve said procedures. All amendments must be approved by the Department. Contractor shall supply the Department and its designee with the information and reports related to its peer review program upon request.
6. The Department may request that peer review be initiated on specific Providers.
7. The Department may conduct its own peer reviews at its discretion.

Attachment \_\_\_\_

Required Deliverables, Submissions and Reporting

To be Completed

Attachment \_\_\_\_  
**Data Security Connectivity Specifications**

As used in this Attachment, "CMS" means the Illinois Department of Central Management Services, and "Vendor" means Contractor.

**Third Party Network (TPN) or Internet Connection**

The line connection to the CMS data center must either be through the private State telecommunications network to the CMS Third Party Network (TPN) or through a secure connection via the Internet. A secure connection over the Internet will require a Site-to-Site Virtual Private Network (VPN) or the use of SSL sessions depending upon the communication requirements.

**Private State Telecommunications Network Requirements**

If the Vendor chooses to connect through the private State telecommunications network, Contractor site terminating dedicated network connection must be located within the State of Illinois. HFS must submit the orders to CMS for processing, design, installation and configuration of the connection for the Vendor. The Vendor must supply information concerning the circuit termination point, onsite contact, and other information required for the order to be submitted to CMS for processing and installation by the appropriate CMS contractor. The Vendor must provide authorized HFS' personnel access to the location and the phone demark for the location where the circuit is to be installed. The vendor must provide space and power for a State of Illinois managed router to be installed at the site.

**Internet Site-to-Site VPN Requirements**

If the Vendor chooses to connect through secure connections via the Internet, the connection may be made using a Site-to-Site VPN. In this type of connection, the Vendor will be responsible for the cost of the connection between the Vendor and its Internet Service Provider (ISP), troubleshooting and any redundancy requirements associated with the Vendor's connection to the Internet or for Disaster recovery. The vendor will also be responsible to procure, install, and support, any VPN equipment required at the Vendor's location to support secure Site-to-Site VPN communications via the Internet with CMS.

HFS will coordinate with the Vendor to ensure that any authorization/certificate paperwork required for the establishment of the VPN connection is completed. CMS currently utilizes a Cisco 7600 series router with IPSEC accelerators to provide VPN connections to the CMS data center. For VPN authentication, CMS uses "pre-shared keys". Only STATIC IP addresses, no subnet pool addresses, from the Vendor's network are allowed by CMS.

**CMS Supported Encryption Configurations**

**Phase 1 IKE Properties (ISAKMP Protection Suites)**

- Encryption Algorithm.
- Triple-DES (3DES).
- Advanced Encryption Standard (AES) preferred
- Data Integrity.
- Hashing Algorithm: SHA or MD5 supported (MD5 is preferred).
- Diffie-Hellman Group: Group 5 supported only.
- Security Association Lifetime: 86400 seconds.

**Phase 2 IPSEC Properties:**

- Encryption Algorithm.
- Triple-DES (3DES).
- Advanced Encryption Standard (AES) preferred
- Data Integrity.
- Hashing Algorithm: SHA or MD5 supported (MD5 is preferred).



- Perfect Forward Secrecy: Disabled.

#### **Internet SSL/TLS Requirements for File Transfer Protocol**

If the Vendor's only communication requirement is to send or receive data files, the connection may be made using secure FTP (FTPS) via the Internet. The Vendor will be responsible for the cost of the connection between the Vendor and its Internet Service Provider (ISP), troubleshooting and any redundancy requirements associated with the Vendor's connection to the Internet or for Disaster recovery. The Vendor is responsible for any costs associated with obtaining a secure FTP client that supports SSL/TLS. The Vendor will be responsible for initiating the secure FTP sessions to the CMS Data Center and perform any necessary firewall changes to reach the provided IP address and ftp control and data ports.

#### **Exchanging Configuration Information**

HFS will work with the Vendor to determine the configuration and define any connection parameters between the Vendor and the CMS data center. This will include any security requirements CMS requires for the specific connection type the Vendor is using. The Vendor is required to work with both HFS and CMS in exchanging configuration information required to make the connection secure and functional for all parties.

#### **Transmission Control Protocol/Internet Protocol (TCP/IP)**

The Vendor shall cooperate in the coordination of the interface with CMS and HFS. TCP/IP (Transmission Control Protocol/Internet Protocol) must be used for all connections from the Vendor to the CMS data center.

#### **Firewall Devices**

The Vendor shall be responsible for the installation, configuration, and troubleshooting of any firewall devices required on the Vendor's side of the data communication link.

Attachment \_\_\_\_  
Contract Monitors

For CMS:

Telephone:  
Fax:  
Email:

For the Department:

Michelle Maher  
Bureau of Managed Care  
Illinois Department of Healthcare and Family Services  
201 South Grand Avenue East  
Springfield, IL 62763

Telephone: 217-524-7478  
Fax: 217-524-7535  
Email: [Michelle.Maher@Illinois.gov](mailto:Michelle.Maher@Illinois.gov)

For Contractor:

Telephone:  
Fax:  
Email: